

## SHELF INFORMATION MEMORANDUM

**SBFC FINANCE PRIVATE LIMITED**

(A private limited company under the Companies Act, 1956)

Date of Incorporation: January 25, 2008

CIN: U67190MH2008PTC178270

Registered Office: 103, 1st Floor, C&amp;B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East), Mumbai – 400059, Maharashtra, India

Telephone No: 022-67875300

Website: www.sbfc.com

**SHELF INFORMATION MEMORANDUM FOR ISSUE OF UP TO 2500 SENIOR, SECURED, RATED, LISTED, REDEEMABLE AND NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,000,000/- (RUPEES TEN LAKHS ONLY) EACH (“DEBENTURES”), TO BE ISSUED IN ONE OR MORE SERIES/ TRANCHES (EACH A “SERIES”), AGGREGATING UP TO RS. 2,500,000,000/- (RUPEES TWO HUNDRED AND FIFTY CRORES ONLY) ON A PRIVATE PLACEMENT BASIS, IN TERMS OF REGULATION 21A OF THE SEBI (ISSUER AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED FROM TIME TO TIME, FROM THE DATE HEREOF UP TO 28<sup>TH</sup> JULY, 2020 (THE “ISSUE”)**

**Background**

This Shelf Information Memorandum prepared under the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended from time to time), the Securities and Exchange Board of India (Issue and Listing of Debt) Regulations, 2008 (as amended from time to time) is related to the Debentures to be issued by SBFC Finance Private Limited (the “**Issuer**” or “**Company**”) on a private placement basis and together with the supplemental memorandum/ term sheet setting out the specific terms and conditions applicable to each Series of the Debentures (“**Supplemental Memorandum**”) which shall be issued for each Series of the Debentures, contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Shelf Information Memorandum and the respective Supplemental Memorandums which may be issued hereunder has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer at the extraordinary general meeting held on 14<sup>th</sup> July, 2020 and the Board of Directors of the Issuer on 14<sup>th</sup> July, 2020 and the memorandum and articles of association of the Company. Pursuant to the resolution passed by the Company’s shareholders on 29<sup>th</sup> May, 2019 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit for amounts up to Rs. 45,000,000,000/- (Rupees Four Thousand Five Hundred Crores only) over and above the aggregate of the paid-up share capital of the Company, its free reserves and securities premium. The present issue of NCDs in terms of this Shelf Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s). This Shelf Information Memorandum has been prepared in accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (“**Debt Listing Regulations**”).

**Credit Rating**

The Debentures proposed to be issued by the Issuer in one or more Series hereunder have been rated by India Rating and Research Private Limited (“**Rating Agency**”). The Rating Agency has *vide* its letter dated 27<sup>th</sup> July, 2020 assigned a rating of “IND Stable A” in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to **Annexure I** of this Shelf Information Memorandum for the letter dated 27<sup>th</sup> July, 2020 from the Rating Agency assigning the credit rating above mentioned and the letter dated 27<sup>th</sup> July, 2020 issued by the Rating Agency disclosing the rating rationale adopted for the aforesaid rating.

### Issue Schedule

The Issue Opening Date, Closing Date and Deemed Date of Allotment will be informed to the Debenture Trustee separately and shall be incorporated in the Supplemental Information Memorandum. Each Series of the Debentures offered pursuant to this Supplemental Information Memorandum shall be subject to the terms and conditions pertaining to the Debentures outlined hereunder as modified / supplemented by the terms of the respective Supplemental Information Memorandum and/or the Private Placement Offer Letter(s) filed with the Stock Exchange in relation to such Series and other documents in relation to such issuance. The terms and conditions contained in this Shelf Information Memorandum shall be read in conjunction with the provisions (as may be mutually agreed between the Issuer and respective debenture holders from time to time) contained in the respective Supplemental Information Memorandum and/or the Private Placement Offer Letter(s), and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Supplemental Information Memorandum / Private Placement Offer Letter(s) on one hand, and the terms and conditions in the Shelf Information Memorandum on the other, the provisions contained in the Supplemental Information Memorandum / Private Placement Offer Letter(s) shall prevail over and override the provisions of the Shelf Information Memorandum for all intents and purposes.

The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited (“BSE”).

Registrar	Debenture Trustee
<b>Registrar and Transfer Agent</b> NSDL Database Management Limited <b>Address:</b> 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Contact person: Mr. Nilesh Bhandare, Tel: +91-22-2499 4200 Email: <a href="mailto:info_ndml@nsdl.co.in">info_ndml@nsdl.co.in</a>	<b>Debenture Trustee</b> IDBI Trusteeship Services Limited <b>Address:</b> Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001 Contact Person: Mr. Deepak Avasthi Tel.: +91-22-40807000; Fax: +91-22-66311776 Email: <a href="mailto:itsl@idbitrustee.com">itsl@idbitrustee.com</a>

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## SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Definition	Meaning
Act	Shall mean the Companies Act, 2013 (and the Companies Act, 1956 to the extent still in force) and shall include a reference to any rules issued thereunder and any statutory re-enactments thereof and any amendments or modifications thereto.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Application Form	The form used by the recipient of this Shelf Information Memorandum, the Supplemental Memorandum applicable to the relevant Debentures, and/or the Private Placement Offer Letter, to apply for subscription to the Debentures of the relevant Debentures, which is in the form annexed to this Information Memorandum and marked as <b>Annexure III</b> .
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, circulars, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof in India, and shall include the Debenture Regulations
Articles	Shall mean the articles of association of the relevant entity
Board/Board of Directors	Shall mean the board of Directors of the Company, as constituted from time to time, in accordance with Applicable Law and its Articles.
Business Day	shall mean any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks and money markets are functioning in [Mumbai] and “Business Days” shall be construed accordingly
CDSL	Central Depository Services (India) Limited
Debenture Holders	shall mean, the Persons who fulfils the following requirements:-  (a) Persons who are registered as Beneficial Owners of the Debentures; and  (b) Persons who are registered as debenture holder(s) in the Register of Debenture Holder(s);  and in the event of any inconsistency between sub paragraph (a) and (b) above, sub paragraph (a) shall prevail;
Debentures / NCDs	2500 secured listed rated redeemable non-convertible debentures of the aggregate nominal value of Rs. 2,500,000,000/- (Rupees Two Hundred and Fifty Crore only), to be issued in one or more Series, in terms of this Shelf Information Memorandum, the Supplemental Memorandum issued in respect of the relevant Series and the other Transaction Documents;
Debenture Trust Deed	shall mean the debenture trust deed, to be executed between the Issuer and the Debenture Trustee which will set out the terms upon which the Debentures are being issued
Debenture Trustee	IDBI Trusteeship Services Limited
Debenture Trustee Regulations	Shall mean the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
Debenture Trustee Agreement	Shall mean the debenture trustee agreement to be entered into by and between the Company and the Debenture Trustee pursuant to which the Debenture Trustee will be appointed by the Company as the debenture trustee, for the benefit of and on behalf of the Debenture Holders.

Definition	Meaning
Debt Listing Regulations	Shall mean the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
Deed of Hypothecation	shall mean the deed of hypothecation which shall be executed by the Company in favour of the Debenture Trustee acting in trust for, on behalf of and for the benefit of the Debenture Holders for creation of a first ranking exclusive charge, by way of hypothecation, by the Company over the hypothecated assets (as identified in the other Transaction Documents)
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	Shall mean National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL), as the context requires with whom the Company has made arrangements for dematerializing the Debentures
Depository Participant / DP	Shall mean, in relation to a Person, the relevant depository participant with whom such Person holds a dematerialised account in which the shares pledged / to be pledged in accordance with the Debenture Trust Deed are / shall be maintained.
Director(s)	Shall mean any director of the Company, including alternate directors, appointed in accordance with Applicable Law and its Articles.
DP ID	Depository Participant Identification Number.
Event of Default	Shall have the meaning as set out in the Debenture Trust Deed.
Financial Half-Year	Shall mean each accounting period (A) commencing from April 1 <sup>st</sup> of each year till September 30 <sup>th</sup> of the same year and (B) commencing from October 1 <sup>st</sup> of each year till March 31 <sup>st</sup> of the next year.
Financial Year / FY	Shall mean accounting period commencing from April 1 <sup>st</sup> of each year till March 31 <sup>st</sup> of the next year.
Issue	Shall mean issue of Debentures for cash, at par, in a one or more Series in dematerialised form on a private placement basis, upon the terms and subject to the conditions set out in the Transaction Documents.
Majority Debenture Holders	shall mean Debenture Holders holding an aggregate amount representing not less than [75% (Seventy Five Percent)] of the value of the nominal amount of the Debentures outstanding for the time being. It is however clarified that if a resolution is required to be passed or consent is required to be provided in relation to a matter concerning only a particular Series of Debentures then the term “Majority Debenture Holder(s)” shall mean the Debenture Holder(s) of that Series holding an aggregate amount representing not less than 75% (Seventy Five percent) of the value of the nominal amount of the said Series of Debentures for the time being outstanding. It is clarified that the enforcement of the security interest created (including without limitation enforcement of the charge by way of hypothecation over the Hypothecated Assets) in terms of the Deed of Hypothecation, shall not be construed as a matter concerning only a particular Series of Debentures as the same concerns all the Debenture Holders;
N.A.	Not Applicable
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Person	Include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Governmental Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time

Definition	Meaning
Private Placement Offer Letter	Shall mean the offer letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, which shall be issued with respect to each Series issued under the Issue
RBI	Reserve Bank of India.
Rating Agency	India Rating and Research Private Limited
Register of Beneficial Owners	Shall mean the register of beneficial owners of the Debentures maintained in the records of the relevant Depository
Register of Debenture Holders	Shall mean the register maintained by the Company in accordance with the terms of the Debenture Trust Deed containing the name(s) of the Debenture Holders entitled to receive interest and redemption of the principal amount in respect of the Debentures, which register shall be maintained at the registered office of the Company in accordance with the provisions of the Act, and includes the Register of Beneficial Owners.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being NSDL Data Management Limited
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India, or such other entity that succeeds the Securities and Exchange Board of India.
Shelf Information Memorandum	This Shelf Disclosure Document through which the Issue is being made and which contains the disclosures as per Schedule I of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time
Supplemental Memorandum	means the supplemental memorandum to be issued by the Company setting out the terms and conditions applicable to each Series issued under this Shelf Information Memorandum
TDS	Tax Deducted at Source.
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures including but not limited to: <ul style="list-style-type: none"> <li>(a) the Debenture Trust Deed;</li> <li>(b) the Debenture Trustee Agreement;</li> <li>(c) the Deed of Hypothecation;</li> <li>(d) this Shelf Information Memorandum;</li> <li>(e) the Private Placement Offer Letter;</li> <li>(f) the Supplemental Memorandum issued in respect of each Series of the Debentures;</li> <li>(g) the Target Escrow Account Agreement;</li> </ul>
WDM	Wholesale Debt Market.

## SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

### 2.1 ISSUER'S DISCLAIMER

This Shelf Information Memorandum (read with the any Supplemental Memorandum issued pursuant to the terms hereto) is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act, 2013, as amended from time to time ("**Act**"). The issue of the Debentures to be listed on the Wholesale Debt Market segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Shelf Information Memorandum to and any Supplemental Memorandum issued pursuant hereto, be filed or submitted to Securities and Exchange Board of India ("**SEBI**") for its review and/or approval.

This Shelf Information Memorandum has been prepared in conformity with the Debt Listing Regulations. This Shelf Information Memorandum has been prepared solely to provide general information about the Issuer to the Eligible Debenture Holders (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Shelf Information Memorandum read with the Supplemental Memorandum issued for the relevant Series pursuant hereto, does not purport to contain all the information that any debenture holder of the Debentures ("**Debenture Holders**") may require in respect of the relevant Series of Debentures. Further, this Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the Purposes set forth herein and the respective Supplemental Memorandum.

Neither this Shelf Information Memorandum (including any Supplemental Memorandum) nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Shelf Information Memorandum and the Supplemental Memorandum should not consider such receipt as a recommendation to subscribe to any Series of the Debentures. Each Debenture Holder contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the relevant Series of the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Shelf Information Memorandum (including the Supplemental Memorandum and documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and the relevant Series and regulatory requirements in relation to the Issue and the relevant Series and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Shelf Information Memorandum, the Supplemental Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Shelf Information Memorandum are adequate and in conformity with the Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time. Further, the Issuer accepts no responsibility for statements made otherwise than in the Shelf Information Memorandum, Supplemental Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Shelf Information Memorandum would be doing so at its own risk.

This Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, and the respective contents thereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms, the Supplemental Memorandum applicable to the relevant Series of Debentures and this Shelf Information Memorandum being issued have been sent. Any application by a person to whom such documents have not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Shelf Information Memorandum and any Supplemental Memorandum issued pursuant hereto, shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Shelf Information Memorandum and the Supplemental Memoranda issued) without retaining any copies hereof. If any recipient of this Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, decides not to participate in the Issue, that recipient must promptly return this Shelf Information Memorandum and all reproductions whether in whole or in part and any other information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Shelf Information Memorandum to reflect subsequent events after the dates of the Shelf Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Shelf Information Memorandum and/or the Supplemental Memorandum, nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Shelf Information Memorandum and any Supplemental Memoranda issued pursuant hereto, does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Shelf Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Shelf Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Shelf Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

## **2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES**

As required, a copy of this Shelf Information Memorandum has been filed with the BSE in terms of the Debt Listing Regulations. It is to be distinctly understood that submission of this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto to the BSE should not in any way be deemed or construed to mean that this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto (as applicable) has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.



### 2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the Debt Listing Regulations, it is not stipulated that a copy of this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto, has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Shelf Information Memorandum or any Supplemental Memoranda issued pursuant hereto.

### 2.4 DISCLAIMER CLAUSE OF THE DEBENTURE TRUSTEE

The Debenture Trustee, by virtue of acting as the debenture trustee to the Issue, does not ipso facto undertake or have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid / invested by a **Debenture Holder** for the Debentures.

### 2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Shelf Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed hereunder. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Mumbai provided that nothing contained herein shall limit any right of the Debenture Trustee or the Debenture Holders to take proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other competent jurisdiction whether concurrently or not. This Shelf Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

### 2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

### 2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in Demat form as per the provisions of Depositories Act, 1996. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the allotment of the Debentures to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

### 2.8 DISCLAIMER CLAUSE OF THE ARRANGER

The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in this Shelf Information Memorandum. The only role of the Arranger with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Shelf Information Memorandum as prepared by the Issuer. Without limiting the foregoing, the Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in this Shelf Information Memorandum. Neither is the Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Shelf Information

Memorandum, nor it is responsible for doing any due-diligence for verification of the truth, correctness or completeness of the contents of this Shelf Information Memorandum. The Arranger shall be entitled to rely on the truth, correctness and completeness of this Shelf Information Memorandum. It is to be distinctly understood that the aforesaid use of this Shelf Information Memorandum by the Arranger should not in any way be deemed or construed to mean that the Shelf Information Memorandum has been prepared, cleared, approved, scrutinized or vetted by the Arranger. Nor should the contents of this Shelf Information Memorandum in any manner be deemed to have been warranted, certified or endorsed by the Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Shelf Information Memorandum.

The Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the Debenture Holders. Each of the Debenture Holders should conduct such due diligence on the Issuer and the Debentures as it deems appropriate and make its own independent assessment thereof.

Distribution of this Shelf Information Memorandum does not constitute a representation or warranty, express or implied by the Arranger that the information and opinions herein will be updated at any time after the date of this Shelf Information Memorandum. The Arranger does not undertake to notify any recipient of any information coming to the attention of the Arranger after the date of this Shelf Information Memorandum. No responsibility or liability or duty of care is or will be accepted by the Arranger for updating or supplementing this Shelf Information Memorandum or for providing access to any additional information as further information becomes available.

Neither the Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Shelf Information Memorandum or in any other information or communications made in connection with the Debentures.

The Arranger is acting for the Company in relation to the Issue of the Debentures and not on behalf of the recipients of this Shelf Information Memorandum. The receipt of this Shelf Information Memorandum by any recipient is not to be constituted as the giving of investment advice by the Arranger to that recipient, nor to constitute such a recipient a customer of the Arranger. The Arranger is not responsible to any other person for providing the protection afforded to the customers of the Arranger nor for providing advice in relation to the Debentures

Each recipient of this Shelf Information Memorandum acknowledges that:

- a. each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- b. such recipient has not relied on the Arranger in connection with its investigation of the accuracy of such information or its investment decision.

## **SECTION 3: RISK FACTORS**

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. If any or some combination of the following risks, or other risks that are not currently known or believed to be material, actually occur, our business, financial condition and results of operation may suffer, and the trading price of, and the value of your investment in, the Debentures may decline and you may lose all or part of your investment. Prospective investors should carefully consider the risk factors relating to the business and the industry described below, together with all other information contained in this document before making any investment decision relating to the Debentures. These risks and uncertainties are not the only issues that the Company faces; additional risks and uncertainties not presently known to the Company or that are currently believed to be immaterial may also have an adverse effect on the business, results of operations, financial condition or prospects and cause the market price of the Debentures to fluctuate and consequently adversely impact the investment by investors, upon a sale of the Debentures. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Shelf Information Memorandum (and each Supplemental Memorandum) and reach their own views prior to making any investment decision.

### **3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER**

Potential investors should be aware that receipt of the principal amount (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

### **3.2 RISK OF LOW TRADING VOLUMES IN SECONDARY MARKET AND/ OR IMPROPER FUNCTIONING OF CAPITAL MARKETS COULD RESTRICT THE LIQUIDITY OF THE DEBENTURES IN THE SECONDARY MARKET**

The Company intends to list the Debentures on the wholesale debt segment of the BSE. The Company cannot provide any guarantee that the Debentures will be frequently traded on the stock exchange and that there would be any market for the Debentures. It is not possible to predict if and to what extent a secondary market may develop for the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. Further, the Company may not be able to issue any further Debentures, in case of any disruptions in the securities market.

### **3.3 CREDIT RISK & RATING DOWNGRADE RISK**

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Company, there is a possibility that the may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on re-valuation of their investment or make provisions towards sub-standard / non-performing investment as per their usual norms. The rating is not a recommendation to purchase, hold or sell the Debentures in as much as the ratings do not comment on the market price of the Debentures or its suitability to a particular investor. There is no assurance either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the Rating Agency. In the event of deterioration the rating of the Debentures, the investors may have to take loss on revaluation of their investment.

### **3.4 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS**

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

### **3.5 ACCOUNTING CONSIDERATIONS**

Special accounting considerations may apply to certain types of taxpayers. Potential Debenture Holders are urged to consult with their own accounting advisors to determine implications of this investment.

### **3.6 SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES**

In the event that the Company is unable to meet its payment and other obligations towards Debenture Holders under the terms of the Debentures, the Debenture Trustee may enforce the security as per the terms of security documents and other related documents. The Investor's recovery in relation to the Debentures will be subject to (i) the market value of such secured property, and (ii) finding willing buyers for the security at a price sufficient to repay the potential Investors amounts outstanding under the Debentures. The value realised from the enforcement of the security may be insufficient to redeem the Debentures.

### **3.7 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS**

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

### **3.8 LEGALITY OF PURCHASE**

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

### **3.9 LITIGATIONS AND CLAIMS AGAINST THE COMPANY**

In the event there are any legal claims that are made against the Company that involve prolonged legal battle and any temporary proscriptions on the Company, the same may adversely affect the Company's ability to run its business.

### **3.10 FORCE MAJEURE EVENTS**

War or terrorist attacks disrupting logistics in the market in which the Company conducts its business will affect the Company's operations.

### **3.11 RESIGNATION OF KEY PERSONNEL**

Resignation of key employees and/or key management personnel may affect the Company's operations.

#### **SECTION 4: FINANCIAL STATEMENTS**

Enclosed as **Annexure IV** hereto are the audited balance sheets of the Issuer as of March 31, 2020, March 31, 2019 and March 31, 2018.

## SECTION 5: REGULATORY DISCLOSURES

- (1) The Shelf Information Memorandum is prepared in accordance with the provisions of Debt Listing Regulations (including without limitation, Regulation 21A of the Debt Listing Regulations which related to the filing of Shelf Information Memorandum) and in this section, the Issuer has set out the details required as per Schedule I of the Debt Listing Regulations.

### 5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the BSE:

- (a) Memorandum and Articles of the Issuer and necessary resolution(s) for the allotment of the Debentures, along with the certificate of incorporation of the Issuer;
- (b) Copy of the audited balance sheets of the Issuer as of March 31, 2020, March 31, 2019 and March 31, 2018;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Certified true copy of the resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 14<sup>th</sup> July, 2020, authorizing the issue/offer of non-convertible Debentures by the Company;
- (e) Certified true copy of the Board Resolution dated 14<sup>th</sup> July, 2020 authorizing the borrowing and issuance of the Debentures;
- (f) List of authorised signatories;
- (g) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 5 (five) working days of execution of the same and that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favour of the trustees to the proposed issue has been obtained; and;
- (h) Any other particulars or documents that the BSE may call for as it deems fit.

### 5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee:

- (a) Memorandum and Articles of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of the audited balance sheets of the Issuer as of March 31, 2020, March 31, 2019 and March 31, 2018;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
- (e) An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular

No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred and Eighty) calendar days from the end of the Financial Year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' and other existing debenture-holders within 2 (two) Business Days of their specific request; and

- (f) Any other particulars or documents that the Debenture Trustee may reasonably request in relation to the Issue, for the benefit of the Debenture Holders.

### **5.3 Issuer Information**

Name:	SBFC Finance Private Limited
Registered Office of Issuer:	103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East), Mumbai – 400059, Maharashtra, India.
Corporate Office of Issuer:	103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East), Mumbai – 400059, Maharashtra, India.
Compliance Officer of Issuer:	Mrs. Swati Morajkar
Registration Number:	N-13.01913
Corporate Identification Number:	U67190MH2008PTC178270
Phone No.:	022-67875300
Contact Person:	Mrs. Swati Morajkar
Email:	swati.morajkar@sbfc.com
Website of Issuer:	www.sbfc.com
Chief Financial Officer of the Issuer:	Mr. Narayan Barasia
Arrangers, if any, of the instrument:	-
Address:	-
Auditors of the Issuer:	Deloitte Haskins & Sells LLP Indiabulls Finance Centre, Tower 3, 27th – 32nd Floor, Senapati Bapat Marg, Elphinstone Road, (West), Mumbai - 400013
Debenture Trustee to the Issue:	IDBI Trusteeship Services Limited
Address:	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001

Registrar to the Issue: NSDL Data Management Limited

Address: Kamala Mills Compound, 4th Floor, Trade World, A Wing,  
Times Tower,  
Lower Parel,  
Mumbai, Maharashtra 400013

Credit Rating Agency of the Issue: India Ratings and Research Private Limited

Address: 4<sup>th</sup> Floor, Wockhardt Towers,  
West Wing, Bandra Kurla Complex,  
Bandra East, Mumbai, Maharashtra 400051

A brief summary of business / activities of the Issuer and its line of business

**(a) Overview**

SBFC Finance Private Limited (Erstwhile Small Business Fincredit India Pvt. Ltd.) is a systemically important Non Banking Finance Company set up with a view to provide credit to the under served and under penetrated market of small entrepreneurs in fringes of Urban and Semi Urban towns across the country. With over 90 branches spread across more than 75 cities and a staff of over 1154 employees as on 31<sup>st</sup> March, 2020, it reaches out to these traditional micro enterprises that form the backbone of the Indian economy.

**(b) Corporate Structure**

The current issued and subscribed share capital of the Company is Rs. 8,201,452,820/- comprising 820,145,282 equity shares.

**(c) Key Operational and Financial Parameters for the last 3 audited years:**

Particulars	Audited	Audited	Audited
	31-Mar-20	31-Mar-19	31-Mar-18
Net worth	752.09	619.84	588.04
Total Debt	3,056.38	845.46	450.00
- Non current maturities of long- term Borrowings	2,302.73	695.01	443.75
- short term borrowings	-	-	-
- Current maturities of long-term Borrowings	753.64	150.45	6.25
Net Fixed Assets	292.82	269.99	265.71
Non-Current Assets	3,193.34	1,094.87	812.17
Cash and Cash equivalents	224.35	180.08	7.10
Current investments	188.07	166.76	257.43
Current Assets	1,015.12	698.11	569.98
Current liabilities	863.65	218.00	90.42
Assets Under Management	3,516.16	1,161.00	778.40
Off balance sheet assets	-	-	-
Interest income	409.71	154.76	67.39
Interest Expense	244.04	50.39	22.63
Provisioning & write Offs	32.27	0.10	4.69
PAT	35.43	24.44	3.13
Gross NPA (%)	1.04%	0.44%	1.42%
Net NPA (%)	0.72%	0.32%	1.18%
Tier I Capital Adequacy Ratio (%)	21.36%	44.26%	55.46%
Tier II Capital Adequacy Ratio (%)	0.53%	0.55%	0.49%



**Gross Debt: Equity Ratio of the Company:**

Before the issue of debt securities	3.44
After the issue of debt securities	3.73

**Calculations**

As on June 30, 2020 debt-to-equity ratio is calculated as follows:-

Debt – INR crores	2,935.95
*Equity – INR crores	854.61
Debt/Equity	3.44

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:-

Debt – INR crores	3,185.95
*Equity – INR crores	854.61
Debt/Equity	3.73

(d) **Project cost and means of financing, in case of funding new projects: None**

(e) **The change in control, if any, in the company that would occur consequent to the private placement: NA**

**5.4 Brief history of Issuer since its incorporation giving details of its following activities:**

(a) **Details of Share Capital as on last quarter end i.e. June 30, 2020:**

	<b>Rs. In Crores</b>
<b>Share Capital</b>	
<b>Authorized Capital</b>	
100,00,00,000 Equity Shares of Rs.10/- each	1000.00
<b>Total</b>	<b>1000.00</b>
<b>Issued Capital</b>	
82,01,45,282 Equity Shares of Rs.10/- each	820.15
<b>Total</b>	<b>820.15</b>
<b>Subscribed Capital</b>	
82,01,45,282 Equity Shares of Rs.10/- each	820.15
<b>Total</b>	<b>820.15</b>
<b>Paid Up Capital</b>	
80,50,55,995 Equity Shares of Rs.10/- each fully paid 1,50,89,287 Equity Shares of Rs. 10/- each partly paid	<b>805.81</b>
<b>Total</b>	<b>805.81</b>

(b) **Changes in its capital structure as on last quarter end i.e. June 30, 2020, for the last five years:**

<b>Date of Change</b>	<b>Authorised Capital (in Rs.)</b>	<b>Particulars</b>
19/03/2016	Rs. 17,05,00,000/-	Increased from Rs. 2,05,00,000/- to Rs. 17,05,00,000/- by adding 1,50,00,000 Compulsory Convertible Preference Shares worth Rs. 15,00,00,000/-
14/09/2017	Rs. 1000,00,00,000/-	Increased from Rs. 17,05,00,000/- to Rs.

		1000,00,00,000/- by adding 982,950,000 Equity Shares worth Rs. 982,95,00,000/-
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(c) **Equity Share Capital History of the Company as on last quarter end i.e. June 30, 2020, for the last five years:**

Date of allotment	No. of equity shares	Face Value	Issue Price (in Rs)	Consideration	Nature of Allotment	Cumulative Paid Up Capital			Remarks
						No of Equity Shares	Equity Share Capital	Equity Share Premium	
28/09/2017	67,39,50,000	10	12.5	Cash	Private Placement	676,000,000	Rs. 6,760,000,000/-	Rs. 1,684,875,000/-	-
15/03/2019	1,08,40,000	10	12.5	Cash	Private Placement	686,840,000	Rs. 6,868,400,000/-	Rs. 27,100,000/-	-
03/06/2019	8,06,54,506	10	13.1	Cash	Private Placement	767,494,506	Rs. 6,908,727,253/-	-	-
29/06/2019	-	-	-	-	-	-	Rs. 7,067,377,253/-	Rs. 51,770,000/-	Call money
30/08/2019	-	-	-	-	-	-	Rs. 7,482,285,060/-	Rs. 135,390,969/-	Call money
30/10/2019	-	-	-	-	-	-	Rs. 7,531,596,833.5/-	Rs. 16,091,226/-	Call Money
25/06/2020	5,26,50,776	10	19.08	Cash	Rights Issue	820,145,282	Rs. 8,058,104,593.5/-	Rs. 478,069,046/-	-

(d) **Details of any Acquisition or Amalgamation in the last 1 (one) year:**

There has been no acquisition or amalgamation in the last 1 (one) year.

(e) **Details of any Reorganization or Reconstruction in the last 1 (one) year:**

There has been no reorganization or reconstruction in the last 1 (one) year.

## 5.5 Details of the shareholding of the Company as on the latest quarter end, i.e. June 30, 2020:

(a) **Shareholding pattern of the Company as on last quarter end, i.e. June 30, 2020:**

The share holding pattern of the Company as on June 30, 2020 is as under:

Sr. No	Name of Shareholders/Particulars	Face Value	Total No. of Equity Shares	Total Shareholding as % of total no. of equity shares	Number of shares held in Demat Form
1	SBFC Holdings Pte. Ltd	10	60,00,40,000	73.16%	60,00,40,000
2	Arpwood Partners Investment Advisors LLP	10	13,45,73,506	16.41%	13,45,73,506
3	Arpwood Capital Private Limited	10	2,84,19,790	3.47%	2,84,19,790
4	Eight45 Services LLP	10	2,59,91,986	3.17%	2,59,91,986
5	Mr. Aseem Dhru	10	1,62,24,000	1.98%	1,62,24,000
6	Vistra ITCL (India) Limited, Trustee of SBFC Employee Welfare Trust	10	1,08,40,000	1.32%	1,08,40,000

7	Mr. Mahesh Dayani	10	40,56,000	0.49%	40,56,000
	Total		82,01,45,282	100%	82,01,45,282

(b) **List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. June 30, 2020: same as above**

(c) **Securities Premium Account:**

As of June 30, 2020: **2,366,196,241/-**

Subsequent to the issue: Rs. **2,366,196,241/-**

## 5.6 Following details regarding the directors of the Company:

(a) **Details of current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of the Shelf Information Memorandum:

The Board of the Company comprises the following:

Sl.	Name of the Directors, Designation & DIN	Address	Age	Director of the Company Since	Director in other Company
1	Aseem Dhru Managing Director & CEO DIN: 01761455	Flat No-301, 3rd Floor, Oyster, 19th Road, T.P.S. Near Beams Hospital, Khar (West), Mumbai - 400052	50	28/09/2017	- Rossari Biotech Limited
2	Amol Jain Director DIN: 00334710	501, 5th Floor, Le Papeyon, Mount Mary Road, Bandra West, Mumbai 400 050	48	09/05/2017	- Arpwood Partners Investment Advisors LLP - Shriram Holdings Madras Private Limited - Bandipur Ventures LLP - Vastrapur Investment Advisors LLP - Eight45 Services LLP
3	Rajeev Gupta Director DIN: 00241501	Krishna Kutir, Ground Floor 28 Union Park, Bandra West, Mumbai 400 050	62	09/05/2017	- TVS Capital Funds Limited - Arpwood Capital Pvt Ltd - Vardhman Special Steels Limited - T. V. Today Network Ltd - Cosmo Films Limited - EIH Limited - United Spirits Limited - Rane Holdings Limited - Arpwood Consultants LLP
4	Neeraj Swaroop Independent Director DIN: 00061170	1104, Signia Isles, G Block, Near Dhirubhai International School, Bandra Kurla	61	21/11/2017	- PNB Metlife India Insurance Company Limited - Avanse Financial Services Ltd

Sl.	Name of the Directors, Designation & DIN	Address	Age	Director of the Company Since	Director in other Company
		Complex, Mumbai, Bandra East Mumbai – 400051			
5	Amitabh Mohanty Independent Director DIN: 06570435	C/301, Golden Square CHS, Sunder Nagar, Kalina, Santa Cruz (East), Mumbai – 400098	48	24/09/2019	- Justo Realfintech Private Limited - Ascentios Advisors Private Limited
6	John Mescall Nominee Director DIN: 08385575	Villa No. 4, Street 5, Spring 8, Dubai, United Arab Emirates	38	29/05/2019	-
7	Jonathan Tadeusz Tatur Nominee Director DIN: 08639243	1208 Damac Park, Tower A, DUBAI 506991, UAE	35	17/12/2019	-
8	Arjun Sakhuja Nominee Director DIN: 08669224	Park Island, Bonaire 2306, Steet 4C, P O Box 55623, Dubai	30	05/02/2020	-

\*Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: To best of our knowledge none of the Directors appear on the RBI defaulter's list and / or the ECGC default list.

(b) **Details of change in directors since last three years:**

Name	Designation	DIN	Date of Appointment/ Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Jacob Mathew	Director	00996521	18/05/2017	25/01/2008	Resigned
Mr. M. Ramprasad	Director	00004275	18/05/2017	25/01/2008	Resigned
Mr. Amol Jain	Director	00334710	09/05/2017	-	-
Mr. Rajeev Gupta	Director	00241501	09/05/2017	-	-
Mr. Aseem Dhru	Managing Director & CEO	01761455	28/09/2017	-	-
Mr. Neeraj Swaroop	Independent Director	00061170	21/11/2017	-	-
Mr. Sridhar	Independent	07240718	11/06/2019	28/09/2017	Resigned

Name	Designation	DIN	Date of Appointment/Resignation	Director of the Company since (in case of resignation)	Remarks
Srinivasan	Director				
Mr. John Mescall	Nominee Director	08385575	29/05/2019	29/05/2019	-
Mr. Jonathan Lewis	Nominee Director	07943822	05/02/2020	29/05/2019	Resigned
Mr. Martin Eric Robinson	Nominee Director	08375454	17/12/2019	29/05/2019	Resigned
Mr. Jonathan Tatur	Nominee Director	08639243	17/12/2019	17/12/2019	-
Mr. Arjun Sakhuja	Nominee Director	08669224	05/02/2020	05/02/2020	-
Mr. Amitabh Mohanty	Independent Director	06570435	24/09/2019	24/09/2019	-

## 5.7 Following details regarding the auditors of the Company:

### (a) Details of the auditor of the Company:

Name	Address	Auditor since
Deloitte Haskins & Sells LLP	Indiabulls Finance Centre, Tower 3, 27 <sup>th</sup> – 32 <sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400013	<b>Date of appointment:</b> 2018  <b>Date of re-appointment:</b> -

### (b) Details of change in auditors since last three years:

Except as stated below there has been no change(s) in the statutory auditor of our Company in the last 3 (three) financial years:

Name & Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
Price Waterhouse Chartered Accountants LLP <b>Address:</b> 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400028 <b>Registration No.:</b> 137918W	02/09/2017	01/09/2017	Due to prior commitments
Deloitte Haskins & Sells LLP <b>Address:</b> Indiabulls Finance Centre, Tower 3, 27 <sup>th</sup> – 32 <sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400013 <b>Registration No.:</b> 117366W/W-100018	<b>Date of appointment:</b> May 2, 2018 <b>Date of re-appointment:</b> September 29, 2018	-	-

## 5.8 Details of borrowings of the Company, as on latest quarter end, i.e. June 30, 2020:

### Details of Secured Loan Facilities:

Rs. In Crores

Sl. No.	Lender's Name	Type of Facility	Amount Sanctioned	Principal o/s as on June 30, 2020	Tenor (months)	Security Offered
1	Federal Bank Limited	Term Loan	50.00	28.13	60	1.10
2	Federal Bank Limited	Term Loan	50.00	28.13	48	1.10
3	ICICI Bank Limited	Term Loan	100.00	60.00	36	1.20
4	Kotak Mahindra Bank Limited	Term Loan	100.00	69.23	42	1.20
5	State Bank of India	Term Loan	2,365.60	2,365.60	96	1.10
6	Small Industries Development Bank of India	Term Loan	60.00	60.00	10	1.10
7	Franklin Templeton Asset Management (India) Pvt Ltd	Non Convertible Debentures	400.00	325.00	36	1.20
	<b>Total</b>		<b>3,125.60</b>	<b>2,936.09</b>		

#### Details of Unsecured Loan Facilities: Nil

#### (a) Details of Non-Convertible Debentures:

ISIN	Tenor	Coupon (%)	Amount	Date of allotment	Redemption Date	Credit Rating	Secured/Unsecured	Security
INE423Y07013	3 years	9.40% p.a.	325 Crores	28/09/2017	28/09/2020	IND A/ Stable	Secured	Book Debts

#### (b) List of Top 10 Debenture Holders (as on June 30, 2020):

Sl.	Name of Debenture Holders	Amount in Crores
1	Kotak Mahindra Bank Ltd	30.00
2	Franklin India Short Term Income Plan	1.00
3	Franklin India Ultra Short Bond Fund	119.00
4	Franklin India Low Duration Fund	175.00
	<b>Total</b>	<b>325.00</b>

#### (c) The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued. (if any): Nil

#### (d) Details of Commercial Paper: Nil

#### (e) Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on June 30, 2020:

Nil

#### (f) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the company, in the past 5 years: Nil

#### (g) Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option: Nil

#### 5.9 Details of Promoters of the Company:

**Details of Promoter Holding in Company as on latest quarter end, i.e. June 30, 2020**

Sl.	Name of Shareholders	Total No. of Equity shares	No. of shares held in Demat form	Total Shareholding as % of total no. of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1.	SBFC Holdings Pte. Ltd.	60,00,40,000	60,00,40,000	73.16	0	0
2.	Arpwood Partners Investment Advisors LLP	13,45,73,506	13,45,73,506	16.41	0	0
3.	Arpwood Capital Private Limited	2,84,19,790	2,84,19,790	3.47	0	0
4.	Eight45 Services LLP	2,59,91,986	2,59,91,986	3.17	0	0

**5.10 Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any:**

*Annexure IV*

**5.11 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any: Nil**

**Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities:**

**Disclosure pertaining to wilful default: Nil**

**5.12 Miscellaneous Disclosures:**

- Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons: **Nil**
- Details of any litigation or legal action pending or taken by any Ministry or Department or of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed: **Nil**
- Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provider:

**2019-20**

## a) Related party transactions

(Amount in Rs.)

Particulars	Key Management Personnel		Entities in which Key management personnel exercise significant influence	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>EXPENSES</b>				
Sitting Fees	3,700,000	3,500,000	-	-
Remuneration	32,544,343	25,273,047	-	-
ESOP Expense	59,858,576	43,861,887	-	-
	<b>96,102,918</b>	<b>72,634,934</b>	<b>-</b>	<b>-</b>

## 2018-19

## a) Related party transactions

(Amount in Rs.)

Particulars	Holding Co			Fellow Subsidiary			Key Management Personnel			Entities in which Key management personnel exercise significant influence		
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 1, 2017	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 1, 2017	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 1, 2017	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 1, 2017
<b>INCOME</b>												
Interest Income- MAPE Advisory Group Private Limited	-	-	6,406,374	-	-	-	-	-	-	-	-	-
<b>EXPENSES</b>												
Interest Expense- MAPE Securities Private Limited	-	-	-	-	1,449,502	10,705,675	-	-	-	-	-	-
Interest Expense- Arpwood Partners Investment Advisors LLP	-	-	-	-	-	-	-	-	-	-	34,520	-
Sitting Fees	-	-	-	-	-	-	3,600,000	400,000	-	-	-	-
Remuneration	-	-	-	-	-	-	25,273,047	73,173,415	-	-	-	-
ESOP Expense	-	-	-	-	-	-	43,861,887	-	-	-	-	-
	-	-	<b>6,406,374</b>	-	<b>1,449,502</b>	<b>10,705,675</b>	<b>72,634,934</b>	<b>73,573,415</b>	<b>-</b>	<b>-</b>	<b>34,520</b>	<b>-</b>

## 2017-18



A. Related party transactions					
Transactions during the year	Holding Company 31-Mar-18 (31-03-2017)	Fellow Subsidiary 31-Mar-18 (31-03-2017)	Key Management Personnel 31-Mar-18 (31-03-2017)	Entities in which Key management personnel exercise significant influence 31-Mar-18 (31-03-2017)	Total 31-Mar-18 (31-03-2017)
i) Issue of Equity Shares					
Lyra Partners Ltd	5,560,525,000	-	-	-	5,560,525,000
Arpwood Partners Investment Advisors LLP	-	-	-	1,156,975,000	1,156,975,000
Total	5,560,525,000	-	-	1,156,975,000	6,739,500,000
ii) Share Warrants					
Arpwood Partners Investment Advisors LLP	-	-	-	20,000	20,000
Total	-	-	-	20,000	20,000
iii) Short-term Loan taken					
Arpwood Partners Investment Advisors LLP	-	-	-	20,000,000	20,000,000
MAPE Securities Private Limited	-	(116,466,243)	-	-	(116,466,243)
Total	-	(116,466,243)	-	20,000,000	20,000,000
iv) Repayment of Short-term Loan taken					
Arpwood Partners Investment Advisors LLP	-	-	-	20,000,000	20,000,000
MAPE Securities Private Limited	-	750,000	-	-	750,000
Total	-	(173,426,243)	-	20,000,000	20,750,000
v) Short-term Loan given					
MAPE Advisory Group Private Limited	(133,635,000)	-	-	-	(133,635,000)
Total	(133,635,000)	-	-	-	(133,635,000)
vi) Repayment of Short-term Loan given					
MAPE Advisory Group Private Limited	(186,600,779)	-	-	-	(186,600,779)
Total	(186,600,779)	-	-	-	(186,600,779)
vii) Interest expense on short-term loan					
Arpwood Partners Investment Advisors LLP	-	-	-	34,520	34,520
MAPE Securities Private Limited	-	1,449,502	-	-	1,449,502
Total	-	(10,705,675)	-	34,520	1,464,022
viii) Interest income on short-term loan					
MAPE Advisory Group Private Limited	(6,406,374)	-	-	-	(6,406,374)
Total	(6,406,374)	-	-	-	(6,406,374)
ix) Sitting fees paid to Directors					
Sridhar Srinivasan	-	-	200,000	-	200,000
Neeraj Swaroop	-	-	200,000	-	200,000
Total	-	-	400,000	-	400,000
Remuneration paid to Key Managerial Personnel					

Refer Annexure -1

- (d) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark: **Nil**
- (e) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries: **Nil**
- (f) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company: **Nil**

### 5.13 Names of the Debenture Trustee(s) and consents thereof

The Debenture Trustee of the proposed Debentures is **IDBI Trusteeship Services Limited** has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Shelf Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from the Debenture Trustee is provided in **Annexure II** of this Shelf Information Memorandum.

### 5.14 Rating and Rating Rationale

The Rating Agency has assigned a rating of “IND A Stable” to the Debentures.

### 5.15 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Nil

### 5.16 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

The Debentures are proposed to be listed on the wholesale debt segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The in-principle approval of the BSE has been obtained in this regard.

### 5.17 Other details:

#### (a) Debenture Redemption Reserve Creation:

As per the provisions of sub-rule 7 of Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, NBFCs are exempt from this requirement of creation of debenture redemption reserve in respect of privately placed debentures. Pursuant to this rule, the Company is not required to and does not intend to create any such reserve funds for the redemption of the Debentures.

#### (b) Issue / instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Act including the notified rules thereunder and the Debt Listing Regulations.

#### (c) Application process:

The application process for the Issue is as provided in Section 5 of this Shelf Information Memorandum and the application will be made in the form set out in Annexure III.

#### (d) Illustration of Bond Cash flows

Kindly refer to the Supplemental Memorandum of each Series for the illustration of bond cashflows applicable to the relevant Series of Debentures

### 5.18 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 2,500,000,000/- (Rupees Two Hundred and Fifty Crores only) by issue of Secured Rated Listed Redeemable Non-Convertible Debentures, on a private placement basis, in one or more Series, within the timelines set out in the Debt Listing Regulations.

The detailed terms and conditions applicable to each Series of the Debentures shall be as set out in the Supplemental Memorandum issued for the relevant Series and the other Transaction Documents.

### 5.19 Issue Size

The aggregate issue size for the Debentures is up to Rs. 2,500,000,000/- (Rupees Two Hundred and Fifty Crores only), in one or more Series

### 5.20 Utilization of the Issue Proceeds

The proceeds shall be used by the Company for regular business purpose. The detailed end uses for each Series of the Debentures shall be as set out in the Supplemental Memorandum issued for the relevant Series of Debentures.

The Issuer undertakes that proceeds of this Issue shall not be utilized for the following purposes as specified in the RBI Master Circular No. DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 including *inter alia*:

- 1) Bills discounted / rediscounted by NBFCs, except for rediscounting of bills discounted by NBFCs arising out of: Commercial vehicles (including light commercial vehicles) and two wheeler and three wheeler vehicles, subject to the following conditions: The bills should have been drawn by the manufacturer on dealers only; The bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and; Before rediscounting the bills, the bona fides and track record of NBFCs which have discounted the bills would be verified.
- 2) Investments of NBFCs both of current and long-term nature, in any company / entity by way of shares, debentures, etc. However, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade.
- 3) Unsecured loans / inter-corporate deposits by NBFCs to / in any company.
- 4) All types of loans and advances by NBFCs to their subsidiaries, group companies / entities.
- 5) Finance to NBFCs for further lending to individuals for subscribing to Initial Public Offerings (IPO) and for purchase of shares from secondary market

### 5.21 Issue Details

The specific terms and details for any Series will be provides in the supplemental memorandum for the specific Series (“**Supplemental Memorandum**”). The following terms apply to each Series unless stated otherwise in the relevant Supplemental Memorandum:

## SECTION 6: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and the Articles of the Issuer, the terms of this Shelf Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents (including the respective Supplemental Memorandum).

### 6.1 Mode of Transfer/Transmission of Debentures

The Debenture Holders may assign and/or transfer all or any of the Debentures and/or their respective rights liabilities, and/or obligations under any of the Transaction Documents to any Person without the prior written consent of, and without prior intimation to, the other parties to the Transaction Documents or any other Person. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other Applicable Laws. The Debentures held in Demat form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

### 6.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/NEFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by NEFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

### 6.3 Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as the debenture trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intend to enter into the Debenture Trust Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and yield thereon and they will take necessary action, subject to and in accordance with the Debenture Trust Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trust Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

### 6.4 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

## **6.5 Modification of Debentures**

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated by the Company with the consent of the Majority Debenture Holders in writing (including by the Majority Debenture Holders providing the same by way of electronic mail). For avoidance of doubt, the Debenture Trustee shall concur with the Company in making any modifications in these presents which in the opinion of the Debenture Trustee shall be expedient to make, would not be materially prejudicial to the interests of the Debenture Holders or to any modifications which are of a formal, minor or technical in nature and no consent of the Debenture Holders will be required for any such modifications, provided that it is hereby expressly clarified that for the modification of terms and conditions applicable to only a particular Series of the Debentures, the consent of the Majority Debenture Holders of only the relevant Majority Debenture Holders of the relevant Series shall be required to be procured.

Notwithstanding any term of any Transaction Document, the consent of any person who is not a Party is not required to rescind or vary the Debenture Trust Deed at any time.

## **6.6 Right to accept or reject Applications**

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

## **6.7 Issue Procedure**

Only Eligible Investors as given hereunder and identified upfront prior to issuance of each Supplemental Memorandum by the Issuer may apply for the Debentures comprised in the relevant Tranche by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The final subscription to the Debentures shall be made by the Eligible Investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the Electronic Book Platform during the Issue period.

Mode of bidding: [Open Bidding/ Closed Bidding] - As mentioned in the relevant Supplemental Memorandum

Manner of Allotment: - As mentioned in the relevant Supplemental Memorandum

Manner of Settlement: Pay-in of funds to Clearing Corporation - As mentioned in the relevant Supplemental Memorandum

Settlement Cycle: [T+1/ T+2]; where T refers to the date of bidding/ issue day. - As mentioned in the relevant Supplemental Memorandum

## **6.8 Application Procedure**

Eligible investors will be invited to subscribe by way of the Application Form prescribed in the Shelf Information Memorandum during the period between the Issue Opening Date and the Issue Closing

Date (both dates inclusive). The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

## 6.9 Fictitious Applications

All fictitious applications will be rejected. For the sake of abundant caution, attention of applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Act, which provides that “Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.” Section 447 of the Act prescribes (a) imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years, and (b) fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

## 6.10 Basis of Allotment

Notwithstanding anything stated elsewhere, Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

## 6.11 Payment Mechanism

Payment of subscription money for the Bonds should be made by the Identified Investors as notified by the Issuer. The participants should complete the funds pay-in to the designated bank account of Indian Clearing Corporation Ltd (ICCL). List of Designated Banks is as under:

	ICICI BANK	YES BANK	HDFC BANK
Beneficiary Name	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd
Account Number	ICCLEB	ICCLEB	ICCLEB
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060
Mode	RTGS	RTGS	RTGS

Successful bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-in Date (“Pay-in Time”). Identified Investors should ensure to make payment of the subscription amount for the Bonds from their same bank account which is updated by them in the BSE EBP platform while placing the bids. In case of mismatch in the bank account details between BSE - EBP platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any Identified Investor to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to issue Bonds to such Identified Investors.

## 6.12 Eligible Debenture Holders

All the Eligible Investors are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form.

All Debenture Holders are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

**Note:** Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

The Debentures are and have been placed on a private placement basis and shall not be issued to more than 50 (fifty) or such higher number (as stipulated under Section 42 of the Act) of the Eligible Investors.

### **6.13 Procedure for Applying for Dematerialised Facility**

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the R & T Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

### **6.14 Depository Arrangements**

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of the Debentures in Demat form.

### **6.15 List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

### **6.16 Application under Power of Attorney**



A certified true copy of the Power of Attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a Power of Attorney or resolution or authority, a certified true copy thereof along with memorandum and the Articles and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

#### **6.17 Documents to be provided by Investors**

Investors need to submit the certified true copies of the following documents, as applicable

- (a) Memorandum and the Articles or other constitutional documents
- (b) Resolution authorising investment
- (c) Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate, if applicable
- (f) Copy of PAN card
- (g) Application Form (including RTGS / NEFT details) in original

#### **6.18 Applications to be accompanied with Bank Account Details**

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through RTGS / NEFT.

#### **6.19 Succession**

In the event of winding-up of the holder of the Debenture(s), the Issuer will recognize the executor or administrator of the concerned Debenture Holder(s), or the other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator or other legal representative as having title to the Debenture(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on production of sufficient documentary proof and/or an indemnity.

#### **6.20 Mode of Payment**

All payments must be made through RTGS / NEFT as set out in the Application Form, or any other mode of payment permissible under law.

#### **6.21 Effect of Holidays**



- (a) If the coupon payment date in respect of any Series falls on a non-Business Day the coupon payment shall be made on the next Business Day. The calculation for payment of interest will be only till the “Coupon Payment Dates” which would have been the case if “Coupon Payment Dates” were not a holiday.
- (b) Also, the future coupon payment dates for the relevant Series shall be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent schedule of coupon payment dates shall not be disturbed merely because the coupon payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day.
- (c) If the redemption date in respect of any Series of the Debentures, falls on a non-Business Day, the proceeds shall be paid on the previous Business Day. The interest will be calculated and paid upto the actual payment date.
- (d) In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day shall be considered as the Record Date

#### **6.22 Deemed Date of Allotment:**

As set out in the Supplemental Memorandum issued for each Series.

#### **6.23 Record Date**

The Record Date will be the date falling 15 (fifteen) days prior to any due date, which shall be used for determining the Debenture Holders who would be entitled to receive the amounts due on any due date.

#### **6.24 Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

#### **6.25 Interest on Application Money**

Interest shall be paid on the application money from the Pay-In Date until the Deemed Date of Allotment at the Coupon Rate, subject to the Debenture Trust Deed.

#### **6.26 PAN Number**

Every applicant should mention its Permanent Account Number (“PAN”) allotted under Income Tax Act, 1961, on the Application Form and attach a self attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

#### **6.27 Payment on Redemption**

Any payments required to be made pursuant to the Debenture Trust Deed on the relevant due date shall be made without the requirement of any notice by the Debenture Trustee to the Issuer or any other Obligor or any other Security Provider.

**Disclaimer:** Please note that only those persons to whom this Shelf Information Memorandum and the relevant Supplemental Memorandum applicable to the relevant Series has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional

documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

## **SECTION 7:**

### **DISCLOSURES PERTAINING TO WILFUL DEFAULT**

If the Issuer or any of its promoters or directors is a wilful defaulter:

- 7.1** Name of the bank declaring the Issuer or any of its promoters or directors as a wilful defaulter: Not applicable
- 7.2** The year in which the Issuer or any of its promoters or directors is declared as a wilful defaulter: Not applicable
- 7.3** The year in which the Issuer or any of its promoters or directors is declared as a wilful defaulter: Not applicable
- 7.4** Name of the Issuer or any of its promoters or directors declared as a wilful defaulter: Not applicable
- 7.5** Steps taken, if any, for the removal from the list of wilful defaulters: Not applicable
- 7.6** Any other disclosures: Not applicable

Date: 28<sup>th</sup> July, 2020

## ANNEXURE I: RATING LETTER &amp; RATING RATIONALE



Mr. Narayan Barasia  
Chief Finance Officer  
Small Business Fincredit India Pvt. Ltd.  
Unit NO.103, First Floor,  
C&B Square, Sangam Complex, CTS No.95A,  
127 Andheri Kurla Road, Chakala,  
Andheri (E), Mumbai-400059

July 27, 2020

Dear Sir/Madam,

**Re: Rating Letter for Non-convertible debentures (NCDs) Ratings of SBFC Finance Private Limited**

India Ratings and Research (Ind-Ra) has taken the following rating actions on SBFC Finance Private Limited's (SBFC) debt instruments:

India Ratings and Research (Ind-Ra) has affirmed following rating of SBFC Finance Private Limited (SBFC):-

- INRINR4.75 (reduced from INR5.5 billion) Non-convertible debentures (NCDs): 'IND A/Stable'

Out of the above, the company has issued INR3.25bn of Non-convertible debentures (NCDs)

India Ratings and Research (Ind-Ra) has assigned following rating to SBFC Finance Private Limited (SBFC):-

- INR1bn Non-convertible debentures (NCDs): 'IND A/Stable'

Out of the above, the company has not issued any amount.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that

**India Ratings & Research Private Limited** A Fitch Group Company

Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/LLPIN: U67100MH1995FC140049 | [www.indiaratings.co.in](http://www.indiaratings.co.in)

by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings



**Rakesh Valecha**  
Senior Director



**Prakash Agarwal**  
Director

Annexure: Facilities Breakup

Instrument Type	ISIN	Date Issuance	Coupon (%)	Maturity Date	Amount (billion)	Rating/Rating Watch
NCDs	INE423Y07013	28 September 2017	9.40	28 September 2020	INR3.25 (reduced from INR4 billion)	IND A/Stable
Limit unutilised					INR2.5	
Total					INR5.75	

RA



## ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd  
CIN : U65991MH2001GO1131154



Ref. No. 16784/ITSL/OPR/2020-2/DEB/323

July 14, 2020

To,

SBFC Finance Private Limited,

Unit No. 762, Bldg. No. 7, 6th Floor,,

Solitaire Corporate Park, Andheri (E), Mumbai – 400 093

Dear Sir,

**Consent to act as Debenture Trustee for the listed, secured, rated, Non-Convertible Debentures aggregating upto Rs. 500 Crores**

This is with reference to your email dated July 10, 2020 and subsequent discussion we had regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the proposed listed, secured, rated, Non-Convertible Debentures aggregating to Rs. 500 Crores to be issued on private placement basis.

In this connection, we are agreeable to act as Debenture Trustee for the same on the terms and conditions indicated as follows:

**Acceptance fee** Rs.1,25,000/- plus applicable taxes (One Time Fees) payable upfront, Non-refundable.

**Service charges** Rs.1,25,000/- plus applicable taxes p.a. payable till full repayment of the Debentures and satisfaction of charges in full. Pro-rata charges from the date of execution till 31.03.2021 shall be paid immediately and thereafter service charges shall be payable in advance on 1st April every year.

**Rs. 40,000/- plus applicable taxes (only in case if any tranche issued under separate documentation (ie. DTA,DTD,DOH executed separately).**

**Interest** In case the payment of service charges is not received within a period of 30 days from the date of the bill, ITSL reserves the right to charge delayed payment charges @ 12% p.a. on the outstanding amount.

**Validity** This consent is valid for a period of 45 days from the date of this letter and in the event of the issue not being placed or in the event of any increase in the size of the issue or any structural change, a fresh letter of revalidation from the Trustees will be necessary. Out of pocket expenses and Statutory Dues All expenses, including CERSAI registration charges @ Rs.115 per Assets ID, would be reimbursable on actual basis within 30 days of the claim.

**Enforcement Expenses** Any work relating to invocation/enforcement of security, in case of default would attract separate fees.

*ms*



**IDBI Trusteeship Services Ltd**  
CIN : U65991MH2001GO1131154



**IDBI TRUSTEESHIP SERVICES LIMITED**

*W.A. Sachwan*



**AUTHORISED SIGNATORY**

We accept the above terms

**For SBFC Finance Private Limited**

**SWATI AMEY**  
**MORAJKAR**

**Authorised Signatory**

NOTE: As per recent Tax guidelines, ITSL would be required to pay the applicable Goods and Services Tax on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

### ANNEXURE III: APPLICATION FORM

#### SBFC FINANCE PRIVATE LIMITED

(A private limited company under the Companies Act, 1956)

Date of Incorporation: January 25, 2008

CIN: U67190MH2008PTC178270

Registered Office: 103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East), Mumbai – 400059, Maharashtra, India.

Telephone No: +91 22 67037400

Website: www.sbfc.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.										1
--	--	--	--	--	--	--	--	--	--	---

**ISSUE OF UPTO [●] SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES OF Rs. [●]/- (RUPEES [●] ONLY) EACH AGGREGATING UPTO Rs. [●] (RUPEES [●] ONLY), IN TERMS OF THE SHELF INFORMATION MEMORANDUM DATED [●] AND THE SUPPLEMENTAL MEMORANDUM DATED [●],**

#### DEBENTURES APPLIED FOR:

Number of Debentures [●] In words [●]

Amount Rs. [●]/- In words Rupees [●] only

#### DETAILS OF PAYMENT:

RTGS / NEFT

No. \_\_\_\_\_ Drawn on \_\_\_\_\_

Funds transferred to [●]

Dated \_\_\_\_\_

Total Amount Enclosed

(In Figures) \_\_\_\_\_ (In words) \_\_\_\_\_

**APPLICANT'S NAME IN FULL (CAPITALS)      SPECIMEN SIGNATURE**

[●].	
------	--

#### APPLICANT'S ADDRESS

ADDRESS	
STREET	

<b>CITY</b>					
<b>PIN</b>		<b>PHONE</b>		<b>FAX</b>	

APPLICANT'S PAN/GIR NO. \_\_\_\_\_ DCIT CIRCLE-1(1) \_\_\_\_\_

**WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY \_\_\_\_\_**

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's

Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our beneficial owner account are given below:

<b>DEPOSITORY</b>	<b>NSDL ( ) CDSL ( )</b>
<b>DEPOSITORY PARTICIPANT NAME</b>	
<b>DPID</b>	
<b>BENEFICIARY ACCOUNT NUMBER</b>	
<b>NAME OF THE APPLICANT(S)</b>	

*[AZB Comment: Clearing corporation appointed to be discussed]*

<b>Applicant Bank Account :</b>  (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note: Cheque and Drafts are subject to realisation)*

We understand and confirm that the information provided in the Shelf Information Memorandum and the Supplemental Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our beneficiary account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the beneficiary account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our beneficiary account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures.

Applicant's

Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note : Cheque and Drafts are subject to realisation)*

------(TEAR HERE)-----

### [•]- ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) <b>SERIAL NO.</b>	<b>1</b>								
--	----------	--	--	--	--	--	--	--	--

Received from \_\_\_\_\_

Address _____	
_____	
Cheque/Draft/UTR # _____	Drawn on _____ for Rs. _____ on account of application of _____ Debenture

## ANNEXURE IV: FINANCIAL STATEMENTS

Audited financials of the Issuer as of March 31, 2020

SBFC Finance Private Limited (Erstwhile Small Business FinCredit India Pvt. Ltd.) Balance Sheet as at March 31, 2020			
(Amount in Rs.)			
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>I. Financial assets</b>			
(a) Cash and cash equivalents	3	2,243,539,357	1,800,843,038
(b) Bank Balances other than (a) above	4	1,908,354,382	155,256,416
(c) Trade Receivables	5	34,092,522	
(d) Loans	6	15,489,294,864	11,536,280,811
(e) Investments	7	18,790,766,927	1,667,615,185
(f) Other financial assets	8	30,381,055	21,903,796
<b>Total Financial Assets</b>		<b>38,496,429,107</b>	<b>15,181,919,246</b>
<b>II. Non-Financial assets</b>			
(a) Current Tax Assets (Net)	9	613,443,040	4,280,735
(b) Property, plant and equipment	10	314,036,342	85,978,983
(c) Goodwill	11	2,603,922,952	2,603,922,952
(d) Other intangible assets	12	10,223,274	10,004,683
(e) Other non-financial assets	13	46,513,644	41,093,365
<b>Total Non-Financial Assets</b>		<b>3,588,139,252</b>	<b>2,745,280,718</b>
<b>Total Assets</b>		<b>42,084,568,359</b>	<b>17,927,199,964</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>I. Financial Liabilities</b>			
(a) Payables	14		
(A) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		842,164,837	86,806,763
(B) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		87,381,111	54,743,035
(b) Debt Securities	15	3,242,867,666	3,973,665,239
(c) Borrowings (Other than Debt Securities)	16	27,364,369,251	4,443,408,325
(d) Other financial liabilities	17	165,325,081	423,013,816
<b>Total Financial Liabilities</b>		<b>31,702,107,546</b>	<b>8,981,637,178</b>
<b>II. Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)	18	-	117,553,566
(b) Deferred tax liabilities (Net)	19	244,568,198	13,711,295
(c) Other non-financial liabilities	20	13,071,779	11,974,027
<b>Total Non-Financial Liabilities</b>		<b>257,639,977</b>	<b>143,238,888</b>
<b>Total Liabilities</b>		<b>31,959,747,523</b>	<b>9,124,876,066</b>
<b>EQUITY</b>			
(a) Equity Share Capital	21	7,423,196,834	6,760,000,000
(b) Other Equity	22	2,701,623,602	2,042,313,898
<b>Total Equity</b>		<b>10,124,820,436</b>	<b>8,802,313,898</b>
<b>Total Liabilities and Equity</b>		<b>42,084,568,359</b>	<b>17,927,199,964</b>
Summary of Significant Accounting Policies (Refer Note 2)			
The accompanying notes are an integral part of the Financial Statements			
In terms of our report attached			
For Deloitte Haskins & Sells LLP			
Chartered Accountants			
(Firm Registration No. 117366W/W-100018)			
G. K. Subramaniam			
Partner			
Membership No: 109839			
Place: Mumbai			
Date: 4 <sup>th</sup> June, 2020			
For and on behalf of the Board of Directors of			
SBFC Finance Private Limited			
(Erstwhile Small Business FinCredit India Pvt. Ltd.)			
CIN: U67190MH2008PTC178270			
Mr. Jeevan Dhru			
CEO & Managing Director			
DIN: 01761455			
Mr. John Mescall			
Nominee Director			
DIN: 08385575			
Mr. Narayan Barasia			
Chief Financial Officer			
Place: Mumbai			
Date: 4 <sup>th</sup> June, 2020			
Ms. Swati Morajkar			
Company Secretary			

**SBFC Finance Private Limited (Erstwhile Small Business FinCredit India Pvt. Ltd.)**  
**Statement of Profit and Loss for the year ended March 31, 2020**

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(I) Revenue from Operations</b>			
Interest Income	23	4,097,105,832	1,541,773,579
Fees and commission Income	24	174,531,843	36,168,943
Net gain on Fair Value Changes	25	114,920,362	121,050,130
Other Operating Income	26	60,417,484	66,478,409
<b>Total Revenue from Operations</b>		<b>4,446,975,521</b>	<b>1,765,471,061</b>
<b>(II) Other Income</b>	27	<b>1,760,272</b>	<b>1,105,030</b>
<b>(III) Total Income (I+II)</b>		<b>4,448,735,793</b>	<b>1,766,576,091</b>
<b>Expenses</b>			
Finance costs	28	2,440,373,987	503,907,574
Impairment on financial instruments (Expected Credit Loss)	29	322,727,908	1,011,169
Employee benefit expense	30	736,287,349	602,638,638
Depreciation and amortisation expense	10 to 12	79,370,877	21,295,609
Other expenses	31	284,855,164	287,928,399
<b>(IV) Total expenses</b>		<b>3,863,615,285</b>	<b>1,416,781,389</b>
<b>(V) Profit before Tax (III - IV)</b>		<b>585,120,508</b>	<b>349,794,702</b>
Tax expense			
- Current tax	32	-	114,852,913
- Deferred tax	33	230,856,903	(9,411,070)
<b>(VI) Total tax expense</b>		<b>230,856,903</b>	<b>105,441,843</b>
<b>(VII) Net Profit After Tax</b>		<b>354,263,605</b>	<b>244,352,859</b>
<b>(VIII) Other comprehensive income</b>	34		
(i) Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit		(1,189,753)	(1,260,545)
(ii) Income tax relating to items that will not be reclassified to profit or loss		299,437	367,071
<b>Other Comprehensive Income</b>		<b>(890,316)</b>	<b>(893,474)</b>
<b>(IX) Total comprehensive income (VII + VIII)</b>		<b>353,373,289</b>	<b>243,459,385</b>
<b>(X) Earnings per equity share</b>			
Basic (Rs.)	44	0.48	0.36
Diluted (Rs.)		0.48	0.36

Summary of Significant Accounting Policies (Refer Note 2)

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached  
 For Deloitte Haskins & Sells LLP  
 Chartered Accountants  
 (Firm Registration No.117366W/W-100018)

G K Subramaniam  
 Partner  
 Membership No: 109839

Place: Mumbai  
 Date: 4<sup>th</sup> June, 2020



For and on behalf of the Board of Directors of  
 SBFC Finance Private Limited  
 (Erstwhile Small Business FinCredit India Pvt. Ltd.)  
 CIN: U67190MH2008PTC178270

Mr. Azeem Dhru  
 CEO & Managing Director  
 DIN: 01761455

Mr. John Mescall  
 Nominee Director  
 DIN: 08385575



Mr. Narayan Barasia  
 Chief Financial Officer  
 Place: Mumbai  
 Date: 4<sup>th</sup> June, 2020

Ms. Swati Morajkar  
 Company Secretary



## SBFC Finance Private Limited (Erstwhile Small Business FinCredit India Pvt. Ltd.)

## Cash Flow Statement for the year ended March 31, 2020

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash flow from Operating activities</b>		
Profit before Taxation	585,120,508	349,754,702
<u>Adjustments for:</u>		
Depreciation on Fixed assets	79,370,877	21,295,609
Interest income on Loans	(2,145,519,183)	(1,517,495,486)
Finance costs on Borrowings & Debt Securities	2,440,035,811	496,219,398
Service fees for management of assigned portfolio of loans	(140,568,305)	-
Net gain on Fair value change	(114,920,362)	(121,050,130)
Loss on sale of fixed assets	-	537,609
Impairment on Financial Instruments	283,046,068	1,011,169
Bad debts written off	39,681,840	-
Provision for Bonus & Incentives	61,300,000	54,812,292
Fixed Assets written off	-	8,872,978
Interest accrued on Investment in Pass Through Certificates	(123,835,152)	-
Interest accrued on lease liability	22,133,456	-
Interest Expenses on Income tax	-	7,688,176
Amortization of Processing Fee Term Loan	(154,257,361)	(9,553,330)
Amortization of Processing Fee on Debentures	19,202,429	17,556,507
Employee Share Based Payments	102,973,657	74,902,039
Cash inflow from interest on loans	2,017,150,685	1,487,285,919
Cash inflow from service asset	106,873,891	-
Cash outflow towards finance cost	(2,475,252,305)	(490,341,855)
<b>Operating Profit before Working capital changes</b>	<b>602,536,554</b>	<b>381,535,597</b>
<u>Changes in working capital</u>		
Increase/ (Decrease) in Trade payables	726,696,150	(357,026,689)
Increase/ (Decrease) in Provisions	-	(12,493,818)
Increase/ (Decrease) in Other Financial liabilities	(222,472,241)	31,178,762
Increase/ (Decrease) in Other Non-financial liabilities	1,097,752	4,968,472
(Increase)/ Decrease in Trade receivables	(4,683,909)	-
(Increase)/ Decrease in Loans and advances	(4,148,563,216)	(3,695,343,720)
(Increase)/ Decrease in Other Financial assets	(4,191,458)	(2,937,220)
(Increase)/ Decrease in Other Non-financial assets	(5,420,279)	(19,775,396)
<b>Cash flows generated from operations</b>	<b>(3,055,000,647)</b>	<b>(3,679,894,013)</b>
Income taxes paid	(726,715,871)	(4,987,523)
<b>Net cash used in Operating activities</b>	<b>(3,781,716,518)</b>	<b>(3,684,881,536)</b>
<b>Cash flow from Investing activities</b>		
Purchase of fixed assets	(52,186,673)	(74,209,615)
Proceeds from sale of assets	-	691,161
Purchase of current investments	(16,963,355,766)	(8,084,338,006)
Purchase of Investment in Pass Through Certificates	(23,656,000,000)	-
Receipts from Investment in Pass Through Certificates	4,989,068,225	-
Proceeds from Sale of Current Investments	18,745,911,311	9,112,086,551
Placement of Fixed deposits	(1,753,097,966)	-
Proceeds on maturity of Fixed deposits	-	505,864,980
<b>Net cash (used in)/ generated from Investing activities</b>	<b>(18,689,660,869)</b>	<b>1,460,095,071</b>



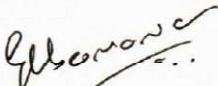
<b>Cash flow from Financing activities</b>		
Proceeds from Issue of Equity share capital	663,196,834	108,400,000
Proceeds from Long Term borrowings	23,656,000,000	2,437,500,000
Proceeds from Collateralized borrowings	762,707,205	1,579,647,072
Repayment of Collateralized borrowings	(777,499,934)	-
Repayment of Long Term borrowings	(782,094,526)	(62,499,140)
Repayment of Non Convertible Debentures	(750,000,000)	-
Payment of Lease liability	(39,354,612)	-
Payment of Interest on Lease liability	(22,133,456)	-
Proceeds from Securities Premium	203,252,195	27,100,000
Loan to Employee Welfare Trust	-	(135,500,000)
Cancellation of Share Warrants	-	(20,000)
<b>Net cash generated from Financing activities</b>	<b>22,914,073,706</b>	<b>3,954,627,932</b>
<b>Net increase in cash and cash equivalents</b>	<b>442,696,319</b>	<b>1,729,841,468</b>
Cash and cash equivalents at beginning of year	1,800,843,038	71,001,570
<b>Cash and cash equivalents at end of year</b>	<b>2,243,539,357</b>	<b>1,800,843,038</b>

<b>Cash and Cash Equivalents at the end of the year comprises of:-</b>		
Cash on hand	50,249,718	30,763,006
Balance with Scheduled Bank on		
- In Current Accounts	514,474,757	1,770,080,032
- In Fixed Deposit with original maturity of less than 3 months	1,678,814,882	-
<b>TOTAL</b>	<b>2,243,539,357</b>	<b>1,800,843,038</b>

**Notes :**

- 1 The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 Cash Flow Statements
- 2 Figures in brackets indicate cash outflow.
- 3 Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's classification.


In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No.117366W/W-100018)


  
G K Subramaniam  
Partner  
Membership No: 109839


Place: Mumbai  
Date: 4<sup>th</sup> June, 2020



For and on behalf of the Board of Directors  
SBFC Finance Private Limited  
(Erstwhile Small Business FinCredit India Pvt. Ltd.)  
CIN:U67190MH2008PTC178270

  
Mr. Azeem Dhru  
CEO & Managing Director  
DIN: 01761455

  
Mr. John Mescall  
Nominee Director  
DIN: 08385575

  
Mr. Narayan Barasia  
Chief Financial Officer

  
Ms. Swati Morajkar  
Company Secretary



Place: Mumbai  
Date: 4<sup>th</sup> June, 2020



## Audited financials of the Issuer as on March 31, 2019

Small Business FinCredit India Pvt. Ltd. (Erstwhile Mape Finserve Pvt. Ltd.)  
Balance Sheet as at March 31, 2019

(Amount in Rs.)


Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
<b>ASSETS</b>				
<b>I. Financial assets</b>				
(a) Cash and cash equivalents	3	1,800,843,038	71,001,571	5,035
(b) Bank Balances other than (a) above	4	155,256,416	661,121,396	-
(c) Loans	5	11,536,280,811	7,812,999,238	94,921,406
(d) Investments	6	1,667,635,185	2,574,333,599	-
(e) Other financial assets	7	21,903,796	18,966,576	-
<b>Total Financial Assets</b>		<b>15,181,919,246</b>	<b>11,138,422,380</b>	<b>94,926,441</b>
<b>II. Non-Financial assets</b>				
(a) Current Tax Assets (Net)	8	4,280,735	4,280,735	1,369,798
(b) Deferred tax assets (Net)	9	-	-	8,198
(c) Property, plant and equipment	10	85,978,983	43,596,188	-
(d) Goodwill		2,603,922,952	2,603,922,952	-
(e) Other intangible assets	11	10,004,683	9,575,220	-
(f) Other non-financial assets	12	43,684,681	21,758,117	12,266
<b>Total Non-Financial Assets</b>		<b>2,747,872,034</b>	<b>2,683,133,212</b>	<b>1,390,262</b>
<b>Total Assets</b>		<b>17,929,791,280</b>	<b>13,821,555,591</b>	<b>96,316,703</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>I. Financial Liabilities</b>				
(a) Payables	13			
(A) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		94,253,015	20,187,503	42,486
(B) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		49,888,098	434,016,839	-
(b) Debt Securities	14	3,973,665,239	3,956,108,732	-
(c) Borrowings (Other than Debt Securities)	15	4,443,408,325	498,313,723	51,419,568
(d) Other financial liabilities	16	423,013,816	385,957,511	19,031,725
<b>Total Financial Liabilities</b>		<b>8,984,228,493</b>	<b>5,294,584,308</b>	<b>70,493,779</b>
<b>II. Non-Financial Liabilities</b>				
(a) Current tax liabilities (Net)	17	117,553,568	-	-
(b) Provisions	18	-	12,493,818	87,965
(c) Deferred tax liabilities (Net)	19	13,711,295	23,122,366	-
(d) Other non-financial liabilities	20	11,974,027	7,005,555	438,473
<b>Total Non-Financial Liabilities</b>		<b>143,238,888</b>	<b>42,621,739</b>	<b>526,438</b>
<b>Total Liabilities</b>		<b>9,127,467,381</b>	<b>5,337,206,047</b>	<b>71,020,217</b>
<b>EQUITY</b>				
(a) Equity Share Capital	21	6,760,000,000	6,760,000,000	20,500,000
(b) Other Equity	22	2,042,323,898	1,724,349,545	4,796,486
<b>Total Equity</b>		<b>8,802,323,898</b>	<b>8,484,349,545</b>	<b>25,296,486</b>
<b>Total Liabilities and Equity</b>		<b>17,929,791,280</b>	<b>13,821,555,591</b>	<b>96,316,703</b>

Significant Accounting Policies (Refer note 2)

The accompanying notes are an integral part of the Financial Statements.


In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors  
Small Business FinCredit India Pvt Ltd  
(Erstwhile Mape Finserve Pvt. Ltd.)  
CIN: U67190MH2008PTC178270

  
G K Subramaniam  
Partner  
Membership No: 109839

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019

  
Mr. Aseem Dhru  
CEO & Managing Director  
DIN: 01761455

  
Mr. Narayan Barasia  
Chief Financial Officer

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019

  
Mr. John Mescall  
Nominee Director  
DIN: 08385575

  
Ms. Swati Morajkar  
Company Secretary



**Small Business FinCredit India Pvt. Ltd. (Erstwhile Mape Finserve Pvt. Ltd.)**  
**Statement of Profit and Loss for the year ended March 31, 2019**

(Amount in Rs.)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(I) Revenue from Operations</b>			
Interest Income	23	1,547,567,064	673,915,223
Fees and commission Income	24	16,414,486	2,327,262
Net gain on Fair Value Changes	25	121,050,130	86,874,284
Other Operating Income	26	81,594,495	52,254,895
<b>Total Revenue from Operations</b>		<b>1,766,626,175</b>	<b>815,371,664</b>
<b>(II) Other Income</b>	27	1,105,030	956,943
<b>(III) Total Income (I+II)</b>		<b>1,767,731,205</b>	<b>816,328,607</b>
<b>Expenses</b>			
Finance costs	28	503,907,574	226,305,513
Impairment on financial instruments (Expected Credit Loss)	29	1,011,169	46,895,451
Employee benefit expense	30	602,638,638	257,797,792
Depreciation and amortisation expense	10 & 11	21,295,609	10,629,834
Other expenses	31	289,083,513	220,233,533
<b>(IV) Total expenses</b>		<b>1,417,936,503</b>	<b>761,862,123</b>
<b>(V) Profit before Tax ( III - IV)</b>		<b>349,794,702</b>	<b>54,466,483</b>
Tax expense			
- Current tax	32	114,852,913	-
- Deferred tax	33	(9,411,070)	23,130,564
<b>(VI) Total tax expense</b>		<b>105,441,843</b>	<b>23,130,564</b>
<b>(VII) Net Profit After Tax</b>		<b>244,352,859</b>	<b>31,335,920</b>
<b>(VIII) Other comprehensive income</b>	34		
(i) Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit		(1,260,545)	3,322,139
(ii) Income tax relating to items that will not be reclassified to profit or loss		367,071	-
<b>Other Comprehensive Income</b>		<b>(893,474)</b>	<b>3,322,139</b>
<b>(IX) Total comprehensive income ( VII + VIII)</b>		<b>243,459,385</b>	<b>34,658,059</b>
<b>(X) Earnings per equity share</b>			
Basic (Rs.)	46	0.36	0.09
Diluted (Rs.)		0.36	0.07

The accompanying notes are an integral part of the Financial Statements.

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No.117366W/W-100018)


For and on behalf of the Board of Directors  
Small Business FinCredit India Pvt Ltd  
(Erstwhile Mape Finserve Pvt. Ltd.)  
CIN:U67190MH2008PTC178270


  
G K Subramaniam  
Partner  
Membership No: 109839

  
Mr. Aseem Dhru  
CEO & Managing Director  
DIN: 01761455

  
Mr. John Mescall  
Nominee Director  
DIN: 08385575

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019

  
Mr. Narayan Barasia  
Chief Financial Officer

  
Ms. Swati Morajkar  
Company Secretary

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019



Small Business FinCredit India Pvt. Ltd. (Erstwhile Mape Finserve Pvt. Ltd.)

**Cash Flow Statement for the year ended March 31, 2019**

(All amounts in Indian rupees, except share data and where otherwise stated)

(Amount in Rs.)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Cash flow from Operating activities</b>		
Profit before Taxation	349,794,702	54,466,483
Adjustments for:		
Depreciation on Fixed assets	21,295,609	10,629,834
Net gain on Fair value change	(121,060,130)	(86,874,284)
Loss on sale of fixed assets	537,609	13,019
Impairment on Financial Instruments	1,011,169	46,895,451
Provision for gratuity	-	(648,287)
Provision for Leave encashment	-	1,102,874
Provision for Bonus & Incentives	54,612,292	-
Fixed Assets written off	8,872,978	-
Increase in Long Term Borrowings	(9,553,330)	(1,685,417)
Amortization of Non Convertible Debenture Processing Fees	17,556,507	(43,891,268)
Employee Cost ESOP Transferred to Statutory Reserves	74,902,039	-
<b>Operating Profit/ (Loss) before Working capital changes</b>	<b>398,179,445</b>	<b>(19,991,595)</b>
Changes in working capital:		
Increase/ (Decrease) in trade payables	(364,875,521)	432,112,390
(Decrease) in provisions	(12,493,818)	(35,469,364)
(Increase)/ Decrease in loans and advances	(3,725,553,287)	268,545,983
Increase in Other financial liabilities	37,056,305	370,247,925
(Increase)/ Decrease in other financial assets	(2,937,220)	121,147,515
(Increase) in other Non-financial assets	(19,225,911)	(19,520,031)
Increase in Other non financial liabilities	4,968,472	6,567,082
<b>Cash flows generated from operations</b>	<b>(3,684,881,536)</b>	<b>1,123,639,905</b>
Income taxes paid	-	-
<b>Net cash generated from operating activities</b>	<b>(3,684,881,536)</b>	<b>1,123,639,905</b>
<b>Cash flow from Investing activities</b>		
Purchase of fixed assets	(74,209,615)	(1,334,031)
Proceeds from sale of assets	691,161	130,000
Purchase of current investments	(8,084,338,006)	(7,403,295,000)
Purchase consideration under slump sale	-	(10,775,833,199)
Proceeds from Sale of Current investments	9,112,086,551	4,915,835,685
Placement of Fixed deposits	-	(661,121,396)
Proceeds on maturity of Fixed deposits	505,864,980	-
<b>Net cash generated (used in) investing activities</b>	<b>1,460,095,071</b>	<b>(13,925,617,941)</b>
<b>Cash flow from Financing activities</b>		
Proceeds from Issue of Equity share capital	108,400,000	6,739,500,000
Proceeds from Long Term borrowings	2,437,500,000	499,999,140
Proceeds from Securitization	1,579,647,072	-
Repayment of Long Term borrowings	(62,499,140)	(51,419,568)
Proceeds from Non Convertible Debentures	-	4,000,000,000
Proceeds from Securities Premium	27,100,000	1,684,875,000
Loan to Employee Welfare Trust	(135,500,000)	-
Proceeds from Share warrants	-	20,000
Cancellation of Share Warrants	(20,000)	-
<b>Net cash generated from financing activities</b>	<b>3,954,627,932</b>	<b>12,872,974,672</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,729,841,467</b>	<b>70,996,536</b>
Cash and cash equivalents at beginning of year	71,001,571	5,035
<b>Cash and cash equivalents at end of year</b>	<b>1,800,843,038</b>	<b>71,001,571</b>
<b>Cash and Cash Equivalents at the end of the year comprises of:-</b>		
Balance with Scheduled Bank on		
- Current account	1,800,843,038	71,001,571
<b>TOTAL</b>	<b>1,800,843,038</b>	<b>71,001,571</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 Cash Flow Statements
- Figures in brackets indicate cash outflow.
- During previous year, working capital changes for the period have been determined after adjustments of assets and liabilities acquired under business transfer agreement on a slump sale basis business.
- Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's classification.

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366WW-100018)

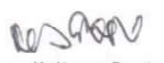
For and on behalf of the Board of Directors  
Small Business FinCredit India Pvt Ltd  
(Erstwhile Mape Finserve Pvt. Ltd.)  
CIN: U67190MH2008PTC178270

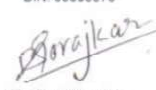
  
G K Subramaniam  
Partner  
Membership No: 109839

  
Mr. Aseem Dhru  
CEO & Managing Director  
DIN: 01761455

  
Mr. John Mescall  
Nominee Director  
DIN: 08385575

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019

  
Mr. Narayan Barasia  
Chief Financial Officer

  
Ms. Swati Moraikar  
Company Secretary

Place: Mumbai  
Date: 7<sup>th</sup> June, 2019





## Audited Financials of March 31, 2018

Small Business Fincredit India Pvt Ltd (Formerly MAPE Finserve Pvt. Ltd.)

Balance sheet as at 31 March 2018

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	As at 31 Mar 2018	As at 31 Mar 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	6,76,00,00,000	2,05,00,000
Reserves and surplus	2.2	84,22,25,752	47,96,486
Share warrants	2.3	20,000	-
		<u>7,60,22,45,752</u>	<u>2,52,96,486</u>
<b>Non- current liabilities</b>			
Long-term borrowings	2.4	4,43,74,99,140	-
Long-term provisions	2.5	6,05,27,642	81,492
		<u>4,49,80,26,782</u>	<u>81,492</u>
<b>Current liabilities</b>			
Short-term borrowings	2.6	-	5,14,19,568
Trade payables	2.7	-	-
- Total outstanding dues of micro enterprises and small enterprises		45,42,04,342	42,486
- Total outstanding dues of creditors other than micro enterprises and small enterprises		45,54,63,066	1,94,70,198
Other current liabilities	2.8	2,29,22,330	2,92,096
Short-term provisions	2.9	93,25,89,738	7,12,24,346
		<u>13,03,28,62,272</u>	<u>9,66,02,324</u>
<b>Total</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	2.10	4,35,96,189	-
- Intangible assets	2.10	1,74,55,23,854	-
Deferred tax asset (net)	2.11	-	8,198
Long-term loans and advances	2.12	5,53,14,12,224	-
		<u>7,32,05,32,267</u>	<u>8,198</u>
<b>Current assets</b>			
Current investments	2.13	2,57,00,00,000	-
Cash and bank balances	2.14	72,73,18,388	5,035
Short-term loans and advances	2.15	2,32,77,45,087	7,76,00,589
Other current assets	2.16	8,72,66,530	1,89,88,502
		<u>5,71,23,30,005</u>	<u>9,65,94,126</u>
<b>Total</b>			
		<u>13,03,28,62,272</u>	<u>9,66,02,324</u>
Significant accounting policies	2		
Notes to the financial statements	2		

The accompanying notes are an integral part of the financial statements

This is the Balance sheet referred to in our report of even date.

As per our report of even date attached

For Price Waterhouse Chartered Accountant LLP  
Firm Registration Number: 012754N/NS00016  
Chartered Accountants



Alpa Kedia  
Partner  
Membership No.: 100681

Place: Mumbai  
Date: 25 June 2018

For and on behalf of the Board of Directors of  
Small Business Fincredit India Pvt Ltd  
(Formerly MAPE Finserve Pvt. Ltd.)  
CIN: U67190MH2008PTC178270



Rajeev Gupta      Aseem Dhru  
Director      CEO & Managing Director  
DIN : 00241501      DIN : 01761455

Place: Mumbai  
Date: 25 June 2018



Small Business Fincredit India Pvt Ltd (Formerly MAPE Finserve Pvt. Ltd.)  
Statement of profit and loss for the year ended 31 March 2018  
(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	Year ended 31 Mar 2018	Year ended 31 Mar 2017
<b>Revenue</b>			
Revenue from operations	2.17	72,42,24,006	2,05,24,745
Other Income	2.18	8,82,45,887	53,697
<b>Total Revenue</b>		<b>81,24,69,893</b>	<b>2,05,78,442</b>
<b>Expenses</b>			
Employee benefits expenses	2.19	25,44,75,653	92,46,530
Finance costs	2.20	27,19,11,776	1,07,70,483
Depreciation on tangible fixed assets	2.21	76,93,708	-
Amortisation on intangible fixed assets	2.21	87,09,10,443	-
Other expenses	2.22	22,37,01,249	66,772
Contingent provision for standard assets		1,95,95,712	(61,806)
Provision for non-performing assets		1,16,18,888	-
<b>Total Expenses</b>		<b>1,65,99,07,429</b>	<b>2,00,21,979</b>
<b>Profit / (Loss) before taxation</b>		<b>(84,74,37,536)</b>	<b>5,56,463</b>
Tax Expense :			
- Current tax	2.30	-	1,66,769
- Deferred tax	2.11	8,198	(3,447)
<b>Profit for the year</b>		<b>(84,74,45,734)</b>	<b>3,93,141</b>
<b>Earnings per equity share [nominal value per share Rs. 10 (previous year: Rs. 10)]</b>	2.26		
Basic		(2.27)	0.19
Diluted		(2.27)	0.19

Significant accounting policies 2  
Notes to the financial statements 2

The accompanying notes are an integral part of the financial statements  
This is the Statement of Profit and Loss referred to in our report of even date.

As per our report of even date attached

For Price Waterhouse Chartered Accountant LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

*Alka Kedia*

Alpa Kedia  
Partner  
Membership No.: 100681

Place: Mumbai  
Date: 25 June 2018

For and on behalf of the Board of Directors of  
Small Business Fincredit India Pvt Ltd  
(Formerly MAPE Finserve Pvt. Ltd.)  
CIN:U67190MH2008PTC178270

*Rajeev Gupta*  
Rajeev Gupta  
Director  
DIN :00241501

*Aseem Dhru*  
Aseem Dhru  
CEO & Managing Director  
DIN :01761455

Place: Mumbai  
Date: 25 June 2018



Small Business Fincredit India Pvt Ltd (Formerly MAPE Finserve Pvt. Ltd.)

**Cash Flow Statement for the year ended March 31, 2018**

(All amounts in Indian rupees, except share data and where otherwise stated)

	Year ended 31/03/2018	Year ended 31/03/2017
Cash flow from Operating activities		
Profit / (Loss) before Taxation	(847,437,536)	556,463
Adjustments for:		
Depreciation on tangible assets	7,693,708	-
Amortisation on intangible assets	870,910,443	-
Contingent provision for standard assets	19,595,712	-
Profit on redemption of mutual fund	(82,540,684)	-
Provision for non-performing assets	11,618,888	-
Loss on sale of assets	13,019	-
Provision for gratuity	(648,287)	-
Provision for leave encashment	1,102,874	-
Operating (loss) / profit before working capital changes	(19,691,863)	556,463
Changes in working capital		
Increase in trade payables	432,112,390	-
Increase in other current liabilities	154,949,056	6,568,262
(Decrease) in provisions	(4,969,400)	(715,276)
Decrease in loans and advances	439,580,261	33,202,488
(Increase) in other current assets	(68,278,028)	(12,302,079)
Cash flows generated from operations	933,702,416	27,309,858
Income taxes paid	(2,910,937)	(456,512)
Net cash generated from operating activities	930,791,479	26,853,346
Cash flows from investing activities		
Purchase of fixed assets	(1,334,031)	-
Proceeds from sale of assets	130,000	-
Purchase of current investments	(7,403,295,000)	-
Fixed deposits placed	(656,316,817)	-
Purchase consideration under slump sale (Refer note 2.31)	(10,795,633,199)	-
Proceeds from sale of current investments	4,915,835,684	-
Net cash generated (used in) investing activities	(13,940,613,363)	-
Cash flows from financing activities		
Proceeds from Issue of Equity share capital	6,739,500,000	-
Proceeds from Long Term borrowings	4,499,999,140	-
Repayment of Short Term borrowings	(51,419,568)	(48,840,791)
Proceeds from Securities Premium	1,684,875,000	-
Share warrants	20,000	-
Net cash generated from/ (used in) financing activities	12,872,974,572	(48,840,791)
Net (decrease) in cash and cash equivalents	(136,847,312)	(21,987,445)
Cash and cash equivalents at beginning of year	5,035	21,992,480
Cash and cash equivalents at end of year	(136,842,277)	5,035
Cash and Cash Equivalents at the end of the year comprises of		
Balance with Scheduled Bank on		
- Current account	71,001,571	5,035
- Cash and Bank balance acquired under slump sale	19,800,000	-
- Book Overdraft	(188,043,848)	-
	<b>(136,842,277)</b>	<b>5,035</b>

**Notes:**

1. The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard (AS) 3 Cash Flow Statements
2. Figures in brackets indicate cash outflow.
3. Working capital changes for the period have been determined after adjustments of assets and liabilities acquired under business transfer agreement on a slump sale basis business (refer note 2.31).
4. Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's classification.

This is the Cash Flow Statement referred to in our report of even date

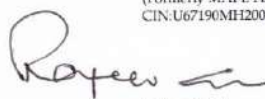
For Price Waterhouse Chartered Accountant LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



**Alpa Kedia**  
Partner  
Membership No.: 100681

Place: Mumbai  
Date: 25 June 2018

For and on behalf of the Board of Directors of  
Small Business Fincredit India Pvt Ltd  
(Formerly MAPE Finserve Pvt. Ltd.)  
CIN: U67190MH2008PTC178270



**Rajeev Gupta**  
Director  
DIN: 00241501

Place: Mumbai  
Date: 25 June 2018



**Aseem Dhru**  
CEO & Managing Director  
DIN: 01761435

## ANNEXURE V: SUPPLEMENTAL MEMORANDUM

Serial No. [●]  
Addressed to: [●]

### SUPPLEMENTAL MEMORANDUM SBFC FINANCE PRIVATE LIMITED

(A private limited company under the Companies Act, 1956)

Date of Incorporation: January 25, 2008

CIN: U67190MH2008PTC178270

Registered Office: 103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala,  
Andheri (East), Mumbai – 400059, Maharashtra, India

Telephone No: [●]

Website: www.sbfc.com

**Supplemental memorandum for issue of up to [●] ([●]) senior, secured, rated, listed, redeemable and non-convertible debentures of face value of Rs. [●] (Rupees [●] only) each (“Debentures”), issued under the shelf information memorandum, dated [●], issued by the Company for issue of up to [●] ([●]) senior, secured, rated, listed, redeemable and non-convertible debentures of face value of Rs. [●] (Rupees [●] only) each, in one or more series/ tranches (each a “Series”), aggregating up to Rs. [●] (Rupees [●] only) on a private placement basis, in terms of Regulation 21A of the SEBI (Issuer and Listing of Debt Securities) Regulations, 2008, as amended from time to time, from the date hereof up to [●]**

This Supplemental Memorandum is issued in terms of and pursuant to the Shelf Information Memorandum dated [●]. All the terms, conditions, information and stipulations contained in the Shelf Information Memorandum are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same to the extent applicable. This Supplemental DD must be read in conjunction with the Shelf Information Memorandum and Application Letter.

This Supplemental Memorandum contains details of this Tranche and any material changes in the information provided in the Shelf Information Memorandum, as set out herein. Accordingly set out below are the updated particulars / changes in the particulars set out in the Shelf Information Memorandum, which additional / updated information / particulars shall be read in conjunction with other information / particulars appearing in the Shelf Information Memorandum. All other particulars appearing in the Shelf Information Memorandum shall remain unchanged.

All capitalised terms used but not defined herein shall have the meaning ascribed to them in the Shelf Information Memorandum.

This Supplemental Memorandum is dated [●]

Security Name	[●]
Issuer	SBFC Finance Private Limited (Issuer/Company/SBFC)
Type of Instrument	Secured Rated Redeemable Listed Non-Convertible Debentures (NCDs/Debentures)
Nature of the Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	The following categories of investors, when specifically approached, are eligible to subscribe to this private placement of Debentures on a primary basis, subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form: (a) Scheduled Commercial Banks; (b) Financial Institutions;

	<p>(c) Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);</p> <p>(d) Regional Rural Banks; Cooperative bank authorised to invest in Debentures;</p> <p>(e) Non-banking finance companies</p> <p>(f) Companies, bodies corporate authorised to invest in Debentures</p> <p>(g) Banks</p> <p>(h) Insurance companies</p> <p>(i) Investment holding companies of high net worth individuals</p> <p>(j) Any other person eligible to invest in the Debentures in accordance with applicable law.</p> <p>All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p>
Objects & Details of the utilization of the Proceeds	[●]
Rating of Instrument	<p>“IND A/Stable” by India Ratings and Research Private Ltd</p> <p><i>The Issuer/Investor(s) reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue</i></p>
Listing	On the WDM segment of the BSE
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar & Transfer Agent	NSDL Database Management Limited
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs only) each.
Series	[●]
Issue Size	[●]
Option to retain oversubscription	[●]
Coupon Type	[●]
Coupon Rate	[●]
Coupon Payment Frequency	[●]
Coupon Payment dates	[●]
Coupon Reset Process	[●]
Step Up/Step Down Coupon Rate	[●]
Day count basis	Actual/ actual
Interest on application money	[●]
Default interest rate	[●]
Tenor	[●]
Redemption Date	[●]
Redemption Amount	[●]
Redemption Premium/ Discount	[●]
Issue price	[●]
Discount at which security is issued and the effective yield as a result of such	[●]



discount.	
Put Date	[•]
Put Price	[•]
Put Option Notice	[•]
Call Date	[•]
Call Price	[•]
Call Option Notice	[•]
Put Notification Time	[•]
Call Notification Time	[•]
Face Value	[•]
Minimum application and multiples of Debt securities thereafter	[•]
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS/ Any other electronic mode
Depositories	NSDL/CDSL
Business Day	shall mean any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks and money markets are functioning in [Mumbai] and “Business Days” shall be construed accordingly
Business Day Convention	<p>(e) If the coupon payment date in respect of any Series falls on a non-Business Day the coupon payment shall be made on the next Business Day. The calculation for payment of interest will be only till the “Coupon Payment Dates” which would have been the case if “Coupon Payment Dates” were not a holiday.</p> <p>(f) Also, the future coupon payment dates for the relevant Series shall be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent schedule of coupon payment dates shall not be disturbed merely because the coupon payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day.</p> <p>(g) If the redemption date in respect of any Series of the Debentures, falls on a non-Business Day, the proceeds shall be paid on the previous Business Day. The interest will be calculated and paid upto the actual payment date.</p> <p>(h) In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day shall be considered as the Record Date</p>
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.
Transaction Documents	i. Debenture Trustee Agreement

	<ul style="list-style-type: none"> <li>ii. Debenture Trust Deed,</li> <li>iii. Deed of Hypothecation</li> <li>iv. Shelf Information Memorandum and Supplemental memorandum for each tranche/series;</li> <li>v. PAS-4</li> <li>vi. Such other documents as agreed between the Issuer and the Debenture Trustee.</li> </ul>
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> <li>1. Credit Rating Letter &amp; Rationale</li> <li>2. Trustee Consent Letter</li> <li>3. Resolution of the Company's board of directors authorizing the issuance of debentures;</li> <li>4. Resolution of the shareholders of the Company under Section 42 of the Act</li> <li>5. Execution of the Debenture Trustee Agreement</li> </ul>
Conditions Subsequent to Disbursement	<p>The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ul style="list-style-type: none"> <li>1. the Issuer shall ensure that the Debentures are credited into the demat account(s) of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment of the respective Series;</li> <li>2. the Company will ensure listing of Debentures on the BSE within stipulated timelines;</li> <li>3. the Company shall, inter alia, file a copy of Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture</li> <li>4. Filing CHG-9 Form with ROC within stipulated timelines</li> <li>5. Execution of any other documents as customary for transaction of a similar nature and size.</li> </ul>
Event of Defaults	[•]
EBP Process	<p><b>Issue and Payment Procedure</b></p> <ul style="list-style-type: none"> <li>• <b>Bidding Process</b></li> </ul> <p>All Eligible Participants are required to apply for the Issue and make payment of the full application amount in accordance with the Bidding Process outlined in the Shelf Information Memorandum. The Issue will be through open bidding on the EBP platform in line with EBP Guidelines vide SEBI circular SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 or such other circular issued from time to time.</p> <ul style="list-style-type: none"> <li>• <b>Manner of settlement</b></li> </ul> <p>Settlement of the Issue will be done through the [escrow account of the Issuer / ICCL] and the account details are given in the section on 'Payment Mechanism' of this Shelf Information Memorandum.</p> <ul style="list-style-type: none"> <li>• <b>Provisional or Final Allocation</b></li> </ul> <p>Allocation shall be made on a pro rata basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 10,00,000 (Rupees Ten Lakh Only). Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE EBP platform. Post receipt of details of the successful bidders, the Issuer will upload the final allocation file on the BSE-EBP platform.</p> <ul style="list-style-type: none"> <li>• <b>Payment Mechanism</b></li> </ul> <p>Payment of subscription money for the Bonds should be made by the Identified Investors as notified by the Issuer.</p>

	<p>The participants should complete the funds pay-in to the designated bank account of Indian Clearing Corporation Ltd (ICCL).</p> <p><b>List of Designated Banks is as under:</b></p> <table><tr><td></td><td>ICICI BANK</td><td>YES BANK</td><td>HDFC BANK</td></tr><tr><td>Beneficiary Name</td><td>Indian Clearing Corporation Ltd</td><td>Indian Clearing Corporation Ltd</td><td>Indian Clearing Corporation Ltd</td></tr><tr><td>Account Number</td><td>ICCLEB</td><td>ICCLEB</td><td>ICCLEB</td></tr><tr><td>IFSC Code</td><td>ICIC0000106</td><td>YESB0CMSNOC</td><td>HDFC0000060</td></tr><tr><td>Mode</td><td>RTGS</td><td>RTGS</td><td>RTGS</td></tr></table> <p>Successful bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-in Date (“<b>Pay-in Time</b>”). Identified Investors should ensure to make payment of the subscription amount for the Bonds from their same bank account which is updated by them in the BSE EBP platform while placing the bids. In case of mismatch in the bank account details between BSE - EBP platform and the bank account from which payment is done by the successful bidder, the payment would be returned.</p> <p><b>Note:</b> In case of failure of any Identified Investor to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to issue Bonds to such Identified Investors.</p> <p>• <b>Settlement Process</b></p> <p>Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issue shall instruct the Depositories on the Pay-In Date, and the Depositories shall accordingly credit the allocated Bonds to the demat account of the successful bidder.</p> <p>The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 p.m. on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 p.m. on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to the Issuer the transfer of Bonds in the demat account(s) of the successful bidder(s).</p>		ICICI BANK	YES BANK	HDFC BANK	Beneficiary Name	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Account Number	ICCLEB	ICCLEB	ICCLEB	IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060	Mode	RTGS	RTGS	RTGS
	ICICI BANK	YES BANK	HDFC BANK																		
Beneficiary Name	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd																		
Account Number	ICCLEB	ICCLEB	ICCLEB																		
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060																		
Mode	RTGS	RTGS	RTGS																		
Method of Allotment	[•]																				
Bid Timing	[•]																				
Settlement cycle	[•]																				
Manner of Bidding	[•]																				
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s) and as per the Transaction Documents																				
<b>Issue Timing</b> Bid / Issue Opening Date Bid/ Issue Closing Date Bid / Issue Pay-In Date Deemed Date of Allotment	[•]																				
Illustration of cashflows in relation to this Tranche of Debentures																					

## **ANNEXURE VI: ILLUSTRATIVE BOND CASH FLOW**

The Bond cash flow will form part of Supplemental Memorandum

## SUPPLEMENTAL MEMORANDUM TO THE SHELF INFORMATION MEMORANDUM



### **SBFC FINANCE PRIVATE LIMITED**

A private limited company incorporated under the Companies Act, 1956

**Date of Incorporation:** January 25, 2008; **CIN:** U67190MH2008PTC178270

**Registered Office:** 103, 1<sup>st</sup> Flr., C&B Square, Sangam Complex, Andheri Kurla Road, Chakala Andheri (E) Mumbai 400059

This Supplemental Memorandum to Shelf Information Memorandum is issued in terms of and pursuant to the Shelf Information Memorandum dated July 28, 2020. All the terms, conditions and information as stipulated in the Shelf Information Memorandum are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same. This Supplemental Memorandum to the Shelf Information Memorandum must be read in conjunction with the Shelf Information Memorandum.

This Supplemental Memorandum is dated August 12, 2020.

### **Broad terms of the Issue**

Security Name	9.30 % Secured Senior Rated Listed Redeemable Non-Convertible Debentures
Issuer	SBFC Finance Private Limited (SBFC/Issuer/ Company)
Type of Instrument	Secured Senior Rated Listed Redeemable Non-Convertible Debentures (NCDs/ Debentures)
Nature of the Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Objects & Details of the utilization of the Proceeds	<ul style="list-style-type: none"><li>• The Issue proceeds will be utilized to meet funding requirements of the Issuer for on-lending purposes and for regular business activities.</li><li>• The Issuer undertakes that no part of the proceeds of the Debentures shall be utilized by the Company directly or indirectly towards capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market activities), any speculative purposes, land acquisition or usages that are restricted for bank financing, any activity in the 'Exclusion List' (as such term shall be defined under the Transaction Documents) or investment in the real estate sector.</li><li>• The proceeds of the NCD shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/Other regulatory guidelines.</li></ul>
Arranger	AK Capital Services Limited
Rating of Instrument	"IND A" by India Ratings & Research Private Ltd <i>The Issuer/Investor(s) reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue</i>
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar & Transfer Agent	NSDL Database Management Limited
Eligible Investors	As mentioned in the Shelf Information Memorandum under captioned "Eligible Investor"
Shelf Information Memorandum Size	Rs. 250.00 Crores (Rupees Two Hundred Fifty Crores)
Tranche / Issue Size	Rs. 25.00 Crores (Rupees Twenty-Five Crores) plus a Green Shoe option of Rs. 25.00 Crores (Rupees Twenty Five Crores)
Series	B
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture

Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture	
Tenor	18 Months from the Deemed Date of Allotment	
Coupon Type	Fixed	
Coupon Rate	9.30%	
Coupon Payment Frequency	Annual and on Redemption	
Coupon Payment dates	The Coupon shall be payable on annual basis from the Deemed Date of Allotment and on Redemption as mentioned below subject to Business Day Convention:	
	August 17, 2021	February 17, 2022
Coupon Reset Process	N. A	
Step Up/Step Down Coupon Rate	N.A.	
Redemption Date	At the end of 18 months from the Deemed Date of Allotment i.e. February 17, 2022	
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture	
Redemption	Bullet, At Par	
Redemption Premium/ Discount	NA	
Discount at which security is issued and the effective yield as a result of such discount.	N.A.	
Put Date	N.A.	
Put Price	N.A.	
Put Option Notice	N.A.	
Call Date	N.A.	
Call Price	N.A.	
Call Option Notice	N.A.	
Put Notification Time	N.A.	
Call Notification Time	N.A.	
Security & Security Cover	<p>The outstanding debentures amount together with interest, default interest, remuneration of the Trustee, charges, fees, expenses and all other monies dues from the Company shall be secured by first ranking pari-passu with a Minimum Security Cover of 1.10 times to be maintained on the outstanding NCD amount of the Debentures along with interest thereon at all times during the tenure of the NCDs on the following:</p> <ul style="list-style-type: none"> <li>• The Loans and advances and receivables which are standard in the books of Issuer</li> <li>• All current assets, all book debts, present and future arising from/in connection with the business of the Issuer both present and future, excluding cash and cash equivalent of the Issuer and excluding any reserve created for any specific financial indebtedness or for specific purpose.</li> <li>• The PTCs, subscribed by the Issuer and issued by SBFC Lap Trust June 2019 and SBFC HL June 2019 ("Trust") pursuant to the Trust documents and all receivables, present and future arising out of the PTCs and all its present and future right, title and interest in relation thereto.</li> </ul> <p>The Company undertakes to maintain Minimum Security Cover of 1.10 times to be maintained on the outstanding NCD amount of the Debentures along with interest thereon at all times during the tenure of the NCDs.</p> <p>Non-Maintenance of Minimum-Security Cover as mentioned above will attract 1% p.a. penalty over and above the Coupon Rate as specified herein, for the period of non-maintenance of such cover. However, in no case reinstatement of such security cover shall exceed 60 days from the day such cover falls below the required cover.</p> <p>The Company shall have option for providing additional /replacement of security at any</p>	

	<p>time during the tenure of the Debentures to ensure the Minimum-Security Cover as provided hereinabove in consultation with Debenture Trustee.</p> <p>The Issuer shall execute Debenture Trust Deed and Deed of Hypothecation within three months from the Issue Closure Date. In case of delay in execution of the Debenture Trust Deed the company will refund the subscription with agreed rate or will pay penal interest of 2% p.a. over and above the Coupon Rate for the delayed period till the execution is complete, at the option of the debenture holders.</p>
Material Adverse Effect definition	Means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (a) the financial condition, business or operation of the Company, environmental, social or otherwise or prospects of the Company; (b) the ability of the Company to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder); or (d) the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document
Day Count Basis	Actual / Actual
Interest on Application Money	At the Initial Coupon rate (subject to deduction of tax at source, as applicable) from the date of realization of cheque (s)/ demand draft(s)/ RTGS up to one day prior to the Deemed Date of Allotment. Where pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	<ul style="list-style-type: none"> <li>Proposed to be listed on the Wholesale Debt Market Segment of BSE Limited within 20 days from the Deemed Date of Allotment.</li> <li>In case of delay in listing of the Debentures beyond 20 days from the Deemed Date of Allotment, the Company will pay penal interest of 1% p.a. over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of such Debentures to the Debenture Holder.</li> </ul>
Representations and Warranties of the Issuer	As mentioned in the caption titled "Representations and Warranties of the Issuer" in the Shelf Information Memorandum to the Issue. The Representations and Warranties shall be continuous in nature and shall be deemed to occur on every day till redemption of the Debentures.
Minimum Application size and in multiples Debt Security thereafter	The minimum application size for the Issue shall be 10 Debentures and in multiples of 1 Debenture thereafter.
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS/ Any other electronic mode
Depositories	NSDL/CDSL
Business Day	Any being a day excluding Saturdays, Sundays or public holiday in Mumbai.
Business Day Convention	<p>If any Coupon Payment Date or the due date for the performance of any event falls on a day that is not a Business Day, then the succeeding Business Day will be considered as the effective date. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon/interest accrued on the Debentures until but excluding the date of such payment.</p>
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.
Transaction Documents	<ul style="list-style-type: none"> <li>i. Debenture Trust Deed,</li> <li>ii. Deed of Hypothecation</li> <li>iii. Shelf Information Memorandum along with the Supplemental Memorandum for the series;</li> <li>iv. PAS-4</li> </ul>

	Such other documents as agreed between the Issuer and the Debenture Trustee.
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> <li>1. Execution of Shelf Information Memorandum</li> <li>2. Credit Rating Letter &amp; Rationale</li> <li>3. Trustee Consent Letter</li> <li>4. Resolution of the Company's board of directors authorizing the issuance of debentures;</li> <li>5. Resolution of the shareholders of the Company for Borrowings</li> <li>6. Execution of any other documents as agreed between the Issuer and the Debenture Trustee/ Investor.</li> </ol>
Conditions Subsequent to Disbursement	<p>The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> <li>i. the Issuer shall ensure that the Debentures are credited into the demat account(s) of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment of the respective Series;</li> <li>ii. the Company will ensure listing of Debentures on the BSE within stipulated timelines;</li> <li>iii. the Company shall, inter alia, file a copy of Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and PAS 5;</li> <li>iv. Execution of Deed of Hypothecation &amp; Debenture Trust Deed within the stipulated timelines as per Companies Act, 2013</li> <li>v. Filing CHG-9 Form with ROC within stipulated timelines</li> <li>vi. Execution of any other documents as customary for transaction of a similar nature and size.</li> </ol>
Default Interest Rate/Additional Interest Rate	<p>Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents:</p> <ol style="list-style-type: none"> <li>i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed.</li> <li>ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.</li> </ol>
Event of Defaults	As mentioned in the Shelf Information Memorandum under captioned "Event of Defaults".
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Indemnification	The Issuer will indemnify, and hold harmless the Debenture Holder, Investment Manager of Debenture Holders, and their respective shareholders, officers, directors, employees, representatives and attorneys from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer.
Arbitration	In the event of any dispute or difference between the Parties to this agreement in respect of or concerning or connected with the interpretation or implementation of this Agreement or arising out of this Agreement, such dispute or difference shall be referred to arbitration by a sole arbitrator, appointed mutually by the Debenture Holder and Issuer in accordance with the (Indian) Arbitration and Conciliation Act, 1996, or any modification or amendment thereof. The arbitration shall be held in Mumbai. The language of the arbitration proceedings shall be English. The expenses of the



	arbitration shall be borne by the Issuer. The decision of such arbitration shall be binding and conclusive upon the Parties and may be enforced in any court of competent jurisdiction.																				
EBP Process	<p><b>Issue and Payment Procedure</b></p> <p>• <b>Bidding Process</b></p> <p>All Eligible Participants are required to apply for the Issue and make payment of the full application amount in accordance with the Bidding Process outlined in the Shelf Information Memorandum. The Issue will be through open bidding on the EBP platform in line with EBP Guidelines vide SEBI circular SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 or such other circular issued from time to time.</p> <p>• <b>Manner of settlement</b></p> <p>Settlement of the Issue will be done through the [escrow account of the Issuer / ICCL] and the account details are given in the section on ‘Payment Mechanism’ of this Shelf Information Memorandum.</p> <p>• <b>Provisional or Final Allocation</b></p> <p>Allocation shall be made on a pro rata basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 10,00,000 (Rupees Ten Lakh Only). Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE EBP platform. Post receipt of details of the successful bidders, the Issuer will upload the final allocation file on the BSE-EBP platform.</p> <p>• <b>Payment Mechanism</b></p> <p>Payment of subscription money for the Bonds should be made by the Identified Investors as notified by the Issuer.</p> <p>The participants should complete the funds pay-in to the designated bank account of Indian Clearing Corporation Ltd (ICCL).</p> <p><b>List of Designated Banks is as under:</b></p> <table><tr><td></td><td>ICICI BANK</td><td>YES BANK</td><td>HDFC BANK</td></tr><tr><td>Beneficiary Name</td><td>Indian Clearing Corporation Ltd</td><td>Indian Clearing Corporation Ltd</td><td>Indian Clearing Corporation Ltd</td></tr><tr><td>Account Number</td><td>ICCLEB</td><td>ICCLEB</td><td>ICCLEB</td></tr><tr><td>IFSC Code</td><td>ICIC0000106</td><td>YESB0CMSNOC</td><td>HDFC0000060</td></tr><tr><td>Mode</td><td>RTGS</td><td>RTGS</td><td>RTGS</td></tr></table> <p>Successful bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-in Date (“<b>Pay-in Time</b>”). Identified Investors should ensure to make payment of the subscription amount for the Bonds from their same bank account which is updated by them in the BSE EBP platform while placing the bids. In case of mismatch in the bank account details between BSE - EBP platform and the bank account from which payment is done by the successful bidder, the payment would be returned.</p> <p><b>Note:</b> In case of failure of any Identified Investor to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to issue Bonds to such Identified Investors.</p> <p>• <b>Settlement Process</b></p> <p>Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issue shall instruct the Depositories on the Pay-In Date, and the Depositories shall</p>		ICICI BANK	YES BANK	HDFC BANK	Beneficiary Name	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Account Number	ICCLEB	ICCLEB	ICCLEB	IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060	Mode	RTGS	RTGS	RTGS
	ICICI BANK	YES BANK	HDFC BANK																		
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Account Number	ICCLEB	ICCLEB	ICCLEB																		
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060																		
Mode	RTGS	RTGS	RTGS																		

	<p>accordingly credit the allocated Bonds to the demat account of the successful bidder.</p> <p>The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 p.m. on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 p.m. on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to the Issuer the transfer of Bonds in the demat account(s) of the successful bidder(s).</p>
Method of Allotment	Uniform Yield
Bid Timing	11.00 am to 1.00 pm
Settlement cycle	T+1
Manner of Bidding	Open
Settlement Through	ICCL & BSE
Method of Allotment	Uniform Yield
Governing Law	The Debentures / and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Mumbai and as more particularly provided for in the Debenture Trust Deed.
Transaction Costs	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holder with respect to legal counsel, valuers and auditors/ consultants. Such costs include:</p> <ul style="list-style-type: none"> <li>• Trustee fees</li> <li>• Rating fees</li> <li>• Stamping and registration costs in relation to all Transaction Documents</li> </ul> <p>Any other reasonable transaction related expense incurred by the Debenture Holders</p>
Taxes, Duties, Costs and Expenses	<ul style="list-style-type: none"> <li>• Relevant taxes, duties and levies are to be borne by the Issuer.</li> <li>• The charges/ fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.</li> </ul>
Issue Timing	
Issue/ Bid Opening Date	August 14, 2020
Issue/ Bid Closing Date	August 14, 2020
Issue Pay-in Date	August 17, 2020
Issue Deemed Date of Allotment	August 17, 2020

#### **Bond Cash Flows on per Debenture basis**

<b>Face Value</b>		<b>1,000,000</b>				
<b>Coupon Rate</b>		<b>9.30%</b>				
<b>Months</b>	<b>Date</b>	<b>Net Cash Flow</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal O/s</b>	<b>days</b>
	Monday, August 17, 2020	(1,000,000)			1,000,000	
12	Tuesday, August 17, 2021	93,000	-	93,000	1,000,000	365
18	Thursday, February 17, 2022	1,046,882	1,000,000	46,882	-	184

**For SBFC Finance Private Limited**

Aseem  
Dhru

**Authorized Signatory**

**Name: Aseem Dhru**

**Designation: Managing Director & CEO**

Digitally signed by Aseem Dhru  
DN: cn=Aseem Dhru, o=SBFC Finance Private Limited,  
c=IN, email=aseem.dhru@sbfcfin.com, serial=1, version=3  
Reason: I am the author of this document.  
Date: 2020.08.14 15:25:51 +05'30'

## 6. DECLARATION BY DIRECTORS

- (a) The Company has complied with the provisions of the Act and the rules made thereunder.
- (b) The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government.
- (c) The monies received under this Private Placement Offer cum Application Letter shall be used only for the purposes and objects indicated in this Private Placement Offer cum Application Letter

I am authorized by the Board of Directors of the Company *vide* circular resolution number 1 dated 14<sup>th</sup> August, 2020 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For SBFC Finance Private Limited



Swati Morajkar  
Company Secretary

Date: 14/08/2020  
Place: Mumbai

Attachments:  
Copy of board resolution  
Copy of shareholders resolution  
Optional attachments, if any